



**COUNTY OF LOS ANGELES
DEPARTMENT OF WORKFORCE DEVELOPMENT,
AGING AND COMMUNITY SERVICES**

**NEW FREEDOM: DOOR-ASSISTANCE TRANSPORTATION
PROGRAM
EXHIBIT A**

RFP STATEMENT OF WORK

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NEW FREEDOM: DOOR-ASSISTANCE TRANSPORTATION PROGRAM EXHIBIT A: STATEMENT OF WORK

1.0 SCOPE OF WORK

1.1 This Statement of Work (SOW) defines the minimum required tasks for the provision of New Freedom: Door-Assistance Transportation Program (DATP) (Program), administered by the County of Los Angeles, Workforce Development Aging, and Community Services (County) to eligible individuals, otherwise referred to herein as “Client(s)” as codified by 49 USC 5317 under the Federal Transportation (FTA) New Freedom Program requirements. Subrecipient shall provide Program services based on the requirements herein, in addition to the guidelines and standards established by the Los Angeles County Metropolitan Transportation Agency (LACMTA) and County Program Memoranda and Directives. In addition to the eligible Clients noted above, Subrecipient shall be required to provide Program services to eligible individuals including but not limited to, s frail older individuals and /or individuals with disabilities, as further defined in Exhibit P (Definitions) of Appendix C (Sample Subaward). Program services include escort transportation services to and from a vehicle, as further described in Section 10.0, Specific Work Requirements.

1.2 Eligibility Criteria

1.2.1 The U.S. Department of Transportation (“DOT”), Federal Transit Administration (“FTA”) determines the eligibility criteria for DATP. Unless otherwise expressly indicated in this Subaward or by Federal, State, or local law, Subrecipient shall only provide Services to eligible individuals.

1.2.2 Individuals are eligible to be a Client and receive Services when they meet one of the following criteria:

1.2.2.1 Frail Older Individuals

1.2.2.1.1 “Frail”, as defined in Section 7119 of Title 22 Code of Regulations (22 CCR 7119), applies to an Older Individual that is determined to be functionally impaired because the individual either:

1.2.2.1.2 Is unable to perform at least two Activities of Daily Living (ADL) including bathing, toileting, dressing, feeding, breathing, transferring and mobility and associated tasks, without substantial human assistance, including verbal reminding, physical cueing, or supervision; or,

- 1.2.2.1.3 Due to a cognitive or other mental impairment, requires substantial supervision because the Older Individual behaves in a manner that poses a serious health or safety hazard to the individual or to others.
 - 1.2.2.2 Older Individual: An individual who is sixty (60) years of age or older (see Appendix C (Sample Subaward), Exhibit P (Definitions)).
- 1.2.3 Individual with a Disability who is eighteen (18) years of age or older
 - 1.2.3.1 Individual with a Disability: An individual, who because of illness, injury, age, congenital malfunction, or other incapacity or temporary or permanent disability (including an individual who is a wheel-chair user or has semi-ambulatory capability), cannot use effectively, without special facilities, planning, or design, public transportation service or a public transportation facility 49 USC 5302(a)(5) (see Appendix C (Sample Subaward), Exhibit P (Definitions)).
- 1.3 Service Area
 - 1.3.1 Subrecipient must provide geographical coverage within one or more of the five (5) Supervisorial Districts of the County of Los Angeles.
 - 1.3.2 The point of origin, travel and end destination must be within the County of Los Angeles.
- 1.4 Subrecipient shall maintain proper Program eligibility and service documentation in accordance with Section 10.0, Specific Work Requirements, to substantiate the Program services provided and that Client eligibility for Program services are met.
- 1.5 Subrecipient shall comply with all applicable Program Federal, State and County policies and regulations including, but not limited to: informational bulletins and directives.

2.0 ADDITION AND/OR DELETION OF FACILITIES, SPECIFIC TASKS AND/OR WORK HOURS

- 2.1 Modifications
 - 2.1.1 Subrecipient is prohibited from modifying or terminating Services, forms, procedures, protocols, or revising hours of service delivery without the written consent of County. Subrecipient shall request permission at least thirty (30) days in advance and obtain written consent of County, and shall comply with Appendix C (Sample Subaward), Subparagraph 9.9 (Modifications), as applicable.
 - 2.1.2 Subrecipient shall inform County in writing and receive written County approval at least sixty (60) days prior to a relocation of Subrecipient's office or site location(s).

- 2.1.3 Services or work hours shall not be modified, or terminated throughout the entire Subaward term. Should an emergency need arise, County must be notified immediately as described in Appendix C (Sample Subaward), Subparagraph 9.23 (Unusual Occurrences and Crime) and the request for Services or work hour modifications will be reviewed by County on a case-by-case basis.

2.2 Amendments

- 2.2.1 All changes must be made in accordance with Appendix C (Sample Subaward), Subparagraph 8.1 (Amendments).

3.0 QUALITY CONTROL

3.1 Quality Control Plan

- 3.1.1 Subrecipient shall establish and utilize a comprehensive Quality Control Plan to assure County a consistently high level of Service throughout the term of the Subaward. The Plan shall be submitted to County's Subaward Manager for review. Subrecipient shall follow the procedures set forth in Subsection 4.0 (Quality Assurance Plan), and the plan shall include, but not be limited to the following:
 - 3.1.1.1 Method of monitoring to ensure that Subaward requirements are being met; and
 - 3.1.1.2 A record of all inspections conducted by Subrecipient, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, shall be provided to County upon request. Subrecipient shall maintain all records consistent with Appendix C (Sample Subaward), Subparagraph 8.38 (Record Retention and Inspection/ Audit Settlement), and shall make them available for audit, assessment, or inspection by authorized representatives of County, or designee.

4.0 QUALITY ASSURANCE PLAN

- 4.1 County shall evaluate Subrecipient's performance under Appendix C (Sample Subaward) using the quality assurance procedures as defined in Subparagraph 8.15 (County's Quality Assurance Plan) of Appendix C (Sample Subaward).
- 4.2 Establishment and Maintenance of Quality Assurance Plan
 - 4.2.1 Subrecipient shall establish and maintain a Quality Assurance Plan (QAP) to assure the requirements of this Subaward are met. A copy must be provide to County Contract Manager (CCM) on the Subaward start date and as changes occur. The original QAP and any revisions thereto, shall include, but not be limited to, the following:

- 4.2.1.1 Methods used to ensure that the quality of service performed fully meets the performance requirements set forth in the Statement of Work. Subrecipient shall include methods for identifying and preventing deficiencies in the quality of Service performed before the level of performance becomes unacceptable including a reporting protocol notifying the CCM of any identified performance requirement issues within twenty-four (24) hours of discovery.
- 4.2.1.2 Methods for ensuring uninterrupted service to County in the event of a strike by Subrecipient's employees or any other potential disruption in Service.
- 4.2.1.3 Methods and frequency by which the qualifying knowledge, skills, experience, and appropriate licenses and/or credentials of professional staff are properly assured, supervised, and maintained during the life of the Subaward.
- 4.2.1.4 Subrecipient's QAP shall include quality improvement strategies and interventions and include barriers/deficiencies/problems identified by County through County's technical assistance visits in this process.
- 4.2.1.5 Subrecipient shall include qualifications of monitoring staff, samples of monitoring forms and identification of related accountability reporting documents in the QAP.

4.3 Performance Requirements of QAP

- 4.3.1 If Subrecipient QAP requirements are not met, the CCM may, in addition to all other remedies available under this Subaward, telephone Subrecipient to alert a Subrecipient of a deficiency; send Subrecipient a User Complaint Report (UCR), or both. Subrecipient shall respond to a telephone deficiency complaint within one (1) hour and respond to a UCR within twenty-four (24) hours of receipt.
- 4.3.2 Subrecipient shall not utilize any employee or Lower Tier Subrecipient whose work has been deemed deficient and unacceptable by the CCM.
- 4.3.3 Subrecipient shall report any staff changes, including separations, temporary leave (e.g. vacations) and indicate staff that will take over the functions of staff on separation or leave, and new hires to the CCM within five (5) business days of the occurrence. In addition, for new hires, Subrecipient shall include a current resume as part of the notification for the County.

4.4 Meetings and Training

- 4.4.1 Subrecipient is mandated to attend all scheduled meetings and trainings called by County, or as directed by County. Subrecipient shall be given at least three (3) days advance notice of all scheduled meetings with County. Subrecipient may also be required to attend emergency meetings without the above stated advance notice when necessary.

- 4.4.2 Subrecipient shall complete a sign-in sheet for face-to-face meetings. A roll call will be taken for meetings attended via virtual means (e.g., WebEx or Skype). Penalties will apply for Subrecipient's failure to attend either face-to-face or WebEx meetings pursuant to Appendix C (Statement of Work Exhibits), Attachment 1 (Performance Requirements Summary Chart).
- 4.4.3 Subrecipient staff is also required to regularly attend meetings, trainings or conferences that offer ways to expand knowledge of and increase efficiency in the Services provided. These meetings, trainings or conferences, may be called by County or a partner agency, or may be designated by County for Subrecipient participation. Subrecipient may also choose to attend meetings outside of Los Angeles County at Subrecipient's own expense that Subrecipient reasonably deems to be beneficial for the delivery of Client Services, as well as other meetings designated by County.

4.5 Subaward Discrepancy Report

- 4.5.1 Subrecipient's Project Manager shall provide verbal and written notification of a Subaward discrepancy will be made to County's Compliance Manager as soon as possible, but no later than one (1) business day, whenever a Subaward discrepancy is identified. The problem shall be resolved within a time period mutually agreed upon in writing by County and Subrecipient.
- 4.5.2 The County Compliance Manager will determine whether a formal Subaward Discrepancy Report (Appendix C (Statement of Work Exhibits)), Attachment 2 (Subaward Discrepancy Report) shall be issued. Upon receipt of this document, Subrecipient is required to respond in writing to County Compliance Manager within five (5) business days, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all deficiencies identified in the Subaward Discrepancy Report shall be submitted to County Compliance Manager within five (5) business days.

4.6 County Observations

- 4.6.1 Other County personnel, in addition to County Subaward staff, may observe the performance/activities and review documents relevant to this Subaward at any time during normal business hours.

5.0 DEFINITIONS

- 5.1 For a listing of Definitions for this Program, refer to Appendix C (Sample Subaward), Exhibit P (Definitions).

6.0 RESPONSIBILITIES

- 6.1 The responsibilities of the County and the Subrecipient are as follows:

6.1.1 COUNTY ADMINISTRATIVE DUTIES

- 6.1.1.1 County will administer the Subaward according to Appendix C (Sample Subaward), Paragraph 6.0 (Administration of Subaward – County). Specific duties will include:
- 6.1.1.1.1 Monitoring Subrecipient's performance in the daily operation of this Subaward. Performance monitoring includes programmatic and fiscal review.
 - 6.1.1.1.2 Providing direction to Subrecipient in areas relating to policy, information, performance and procedural requirements.
 - 6.1.1.1.3 Preparing Amendments in accordance with the Appendix C (Sample Subaward), Subparagraph 8.1 (Amendments).

6.1.2 SUBRECIPIENT ADMINISTRATIVE DUTIES

6.1.2.1 Project Director

- 6.1.2.1.1 Subrecipient shall provide a full-time Project Director or designated alternate. County must have access to the Project Director during all hours, 365 days-per-year. Subrecipient shall provide a telephone number where the Project Director can be reached on Monday through Friday, from 8:00 a.m. to 5:00 p.m.
- 6.1.2.1.2 Project Director shall act as a central point of contact with the County.
- 6.1.2.1.3 Project Director shall have a minimum of five (5) years of experience supervising transportation services or a similar or related field.
- 6.1.2.1.4 Project Director, or designee shall have full authority to act for Subrecipient on all matters relating to the daily operation of the Subaward. Project Director/alternate shall be able to effectively communicate in English, both orally and in writing.
- 6.1.2.1.5 Project Director, or designee shall plan, organize and direct all administrative and operational activities related to the Program and ensure all Services are delivered under this Subaward and within the established time frames specified by County.
- 6.1.2.1.6 Project Director, or designed shall serve as the coordinator/liaison for all Services under this Subaward, ensuring that any overall communications relevant to the provision of services to Clients are conveyed to the appropriate personnel.

6.1.2.2 Escort Driver (Driver)

6.1.2.2.1 In addition to performing the tasks and deliverables as described in Section 10.0., Specific Work Requirements, Escort Drivers shall:

6.1.2.2.1.1 Be enrolled in the DMV's EPN.

6.1.2.2.1.2 Possess a current, valid, State of California-issued vehicle operator license appropriate for the vehicle being operated. If insurance is not provided by Subrecipient, driver shall have insurance coverage as stated in Appendix C (Sample Subaward), Paragraph 8.25, Insurance Coverage.

6.1.2.2.1.3 Speak, read, write, and understand English fluently;

6.1.2.2.1.4 Read and comprehend written materials including assignment routes, road maps and all road signs, and.

6.1.2.2.1.5 Ensure the safe and proper handling of Clients to and from vehicles, as further described in subsection 10.0., Specific Work Requirements. ,

6.1.2.3 Accounting Staff

6.1.2.3.1 Subrecipient staff shall include at a minimum one staff person who has knowledge of basic Accounting principles.

6.1.2.3.2 Responsibilities: The accounting staff person will be responsible for all fiscal matters related to the Program.

6.1.2.3.3 Minimum Experience and Qualifications:

6.1.2.3.3.1 Ability to speak/read/understand English fluently;

6.1.2.3.3.2 Bachelor's degree from an accredited university in Accounting or business finance,

6.1.2.3.3.3 At least one year of accounting experience at a level distinguished by the responsibility for performing the fiscal functions relating to grants management.

6.1.2.3.3.4 Ability and experience interpreting and executing the accounting, fiscal, and policy requirements and directives required to properly execute Program services, including, but not limited to: Office of Management and Budget regulations (OMBs), Generally Accepted Accounting Principles (GAAP), applicable Code of Federal Regulations (CFRs) sections, and Generally Accepted Government Auditing Standards (GAGAS).

6.2 PERSONNEL

6.2.1 Subrecipient shall assign a sufficient number of employees with the appropriate education, licensure, and experience noted below to perform the required work and capable of establishing effective communication with the Clients and County. Subrecipient shall always have a staff member that speaks and understands English with the authority to act on behalf of Subrecipient in every detail, available during work hours. Subrecipient shall operate continuously throughout the entire term of this Subaward with at least the minimum number of staff set forth herein, as well as any other applicable staffing requirements of County for Subrecipient necessary to provide Program services herein. Such personnel shall meet all qualifications in the Subaward, as well as those provided by County through Subaward Amendments, Administrative Directives and Program Policy Memorandums.

6.2.2 Subrecipient shall be required to background check their employees as set forth in Appendix C (Sample Subaward), Subparagraph 7.5 (Background & Security Investigations).

6.2.3 SUBRECIPIENT STAFF TRAINING

6.2.3.1 Subrecipient shall provide training for all new staff and continued in-service training for all staff. Subrecipient is responsible for ensuring its staff, including employees and volunteers, both existing and new, are properly trained in all areas relating to providing Services, including cross-training of staff to ensure program and team success and performance.

6.2.3.2 Subrecipient shall develop and implement a written internal staff training and succession plan policy, including the provision of an orientation to all new staff (which shall include employees and volunteers). Subrecipient shall also define the policy and protocols of information sharing when only a designee attends on behalf of Subrecipient. Subrecipient shall also provide its training and succession plan policy to County for review at least once per program year at the beginning of each program year.

- 6.2.3.3 Subrecipient's Project Director shall ensure that all appropriate Subrecipient employees and volunteers attend all training sessions as required by County, held at a County facility or another site, as determined by County, for Subrecipient's benefit. Further, Subrecipient shall ensure that, at a minimum, a Subrecipient's designated, paid employee represents Subrecipient at each training session, unless otherwise directed by County. Subrecipient may also choose to attend additional training opportunities inside or outside of Los Angeles County at Subrecipient's own expense that the Subrecipient reasonably deems to be beneficial for the delivery of Services, as well as other trainings designated by County.
- 6.2.3.4 Training shall include, but not be limited to: providing information concerning new Directives and regulations issued by County. County shall provide relevant and applicable training, including instruction and guidance, as determined appropriate by County.
- 6.2.3.5 Subrecipient shall attend all mandated training called by County, or authorized designee. Subrecipient shall be given three (3) to five (5) days advance notice of all scheduled trainings with County. Subrecipient may also be required to attend emergency trainings without the above-stated notice when necessary. Failure to attend all mandated trainings shall be considered non-compliance with the Subaward, and may result in further action pursuant to Subaward Subparagraph 9.13 (Probation and Suspension), and any other applicable remedies.

6.3 IDENTIFICATION

- 6.3.1 Subrecipient shall ensure their employees are appropriately identified as set forth in Appendix C (Sample Subaward), Subparagraph 7.3 (Subrecipient's Staff Identification).

6.4 MATERIALS AND EQUIPMENT

- 6.4.1 The purchase of all materials/equipment to provide the needed Program services is the responsibility of Subrecipient. The Subrecipient shall use materials and equipment that are safe for the environment and safe for use by the employees and volunteers. Any materials and equipment purchased with Program funds shall remain the property of County.
- 6.4.2 Subrecipient must obtain approval from County prior to charging Program funds for the following:
 - 6.4.2.1 Purchase of property with a per-unit single cost totaling \$5,000 or more.
 - 6.4.2.2 Purchase, rent, licensing, maintenance fees, or subscriptions of information, technology applications/software/services with a per-unit

single or cumulative cost totaling \$5,000 or more within a twelve (12) month period.

- 6.4.2 Subrecipient shall adhere to and maintain a clear inventory record of all equipment, as directed by County through County Directive.

6.5 SUBRECIPIENT SITES/FACILITIES AND RESOURCES

- 6.5.1 Subrecipient shall maintain an office in Los Angeles County with a telephone in the company's name where Subrecipient conducts business. The office shall be open and staffed a minimum of eight (8) hours per day for the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, by at least one (1) employee who can respond to inquiries and complaints which may be received about Subrecipient's performance of the Subaward. When office is closed, during on-business hours, an answering service shall be provided to receive calls. Subrecipient shall answer calls received by the answering service within twenty-four (24) hours of receipt of the call. Subrecipient shall always have a staff member with the authority to act on behalf of Subrecipient available during work hours.
- 6.5.2 Subrecipient shall publicly display at all Subrecipient office locations/sites the days and hours of operation for the provision of contracted Services. Subrecipient shall ensure that availability for Services is appropriate for the demographics associated with the Services area (site or office location).
- 6.5.3 Subrecipient shall ensure that all site locations/buildings and surrounding areas are maintained in a manner consistent with applicable local, State, and Federal occupational safety and sanitation laws and regulations. The premises shall be free of any accumulation of garbage, rubbish, stagnant water, filthy or offensive matter of any kind to ensure that the premises are maintained in a clean and wholesome condition. The physical locations shall be acceptable and accessible to the public. Subrecipient shall comply with the Americans with Disabilities Act of 1990, as amended.

6.6 MULTILINGUAL AND MULTICULTURAL CAPABILITIES OF SUBRECIPIENT STAFF

- 6.6.1 Subrecipient must provide Services in English, but in areas where a significant number of Clients do not speak English as their primary language, Subrecipient shall make efforts to employ staff and recruit volunteers who are bilingual or multilingual in one or more of Los Angeles County's threshold languages of Arabic, Armenian, Chinese (Mandarin or Cantonese), Farsi, Khmer (Cambodian), Korean, Russian, Spanish, Tagalog (Filipino), Thai and Vietnamese or American Sign Language, should one or more of these languages be a predominant language used in the community served by Subrecipient.
- 6.6.2 Subrecipient must be committed and sensitive to the delivery of Services that are culturally and linguistically appropriate. To that end, Subrecipient must seek to hire qualified staff that is multilingual and/or multicultural in order to better reflect the communities served.

- 6.6.3 Subrecipient shall utilize professional translation services when assistance with another language is needed and no onsite staff speaks that language.
- 6.6.4 Subrecipient shall not require any Client to provide his/her own interpreter.
- 6.6.5 Subrecipient shall adhere to Bilingual and Linguistic Program Services provisions as set forth in Cal. Gov. Code Sections 11135 to 11139.5 (22 CFR 98211, 98310 to 98314, 98324 to 98326, 98340 to 98370).

7.0 HOURS/DAY OF WORK

- 7.1 Subrecipient shall publicly display at all Subrecipient office locations/sites the days and hours of operation for the provision of Subawarded Program services. Subrecipient shall ensure that availability for Services is appropriate for the demographics associated with the Program service area (site location).
- 7.2 Subrecipient shall inform County in writing and receive written County approval at least sixty (60) days prior to relocation of Subrecipient office or site location(s).
- 7.3 Prior to modifying or terminating services, or revising hours of service delivery at previously designated location(s) and before commencing such Services at any other location, Subrecipient shall obtain written consent of the County, and shall comply with Appendix C (Sample Subaward), Paragraph 9.9 (Modifications), as applicable.
- 7.4 Subrecipient office shall be open a minimum eight (8) hours per day for the hours of 8:00 a.m. to 5:00 p.m.
- 7.5 Subrecipient shall also ensure that personal telephone contact with Subrecipient's staff is available to Clients, potential Clients, as well as County, during Subrecipient's hours of operation. Subrecipient shall also ensure that each office location has a telephone answering machine or voice mail in place during off-business hours. Subrecipient's staff shall check and respond to all messages in a timely manner.
- 7.6 Subrecipient shall ensure that Subrecipient staff is available to all Clients, potential Clients, referral sources, as well as County staff on a minimum five (5) day-a-week (Monday through Friday) basis (not including County recognized holidays).

8.0 WORK SCHEDULES

- 8.1 Subrecipient shall submit for review and approval a work schedule for each facility to the County Project Director within fourteen (14) days prior to starting work. Said work schedules shall be set on an annual calendar identifying all the required on-going specific tasks and task frequencies. The schedules shall list the time frames by day of the week, morning, and afternoon the tasks will be performed.
- 8.2 Subrecipient shall submit revised schedules when actual performance differs substantially from planned performance. Said revisions shall be submitted to the County Project Manager for review and approval within fourteen (14) working days prior to scheduled time for work.

- 8.3 County may request, at its sole discretion, a deviation of regular work schedules to address site/task demands.

9.0 UNSCHEDULED WORK

- 9.1 County Program Manager or his designee may authorize Subrecipient to perform unscheduled work, including, but not limited to, repairs and replacements when the need for such work arises out of extraordinary incidents such as vandalism, acts of God, and third party negligence; or to add to, modify or refurbish existing facilities.
- 9.2 Prior to performing any unscheduled work, Subrecipient shall prepare and submit a written description of the work with an estimate of labor and materials. If the unscheduled work exceeds Subrecipient's estimate, County Program Manager or his designee must approve the excess cost. In any case, no unscheduled work shall commence without written authorization.
- 9.3 When a condition exists wherein there is imminent danger of injury to the public or damage to property, Subrecipient shall contact County's Program Manager for approval before beginning the work. A written estimate shall be sent within twenty-four (24) hours for approval. Subrecipient shall submit an invoice to County's Program Manager within five (5) working days after completion of the work.
- 9.4 All unscheduled work shall commence on the established specified date. Subrecipient shall proceed diligently to complete said work within the time allotted.
- 9.5 County reserves the right to perform unscheduled work itself or assign the work to another Subrecipient.

10.0 SPECIFIC WORK REQUIREMENTS

- 10.1 Subrecipeint shall operate a Door-Assistance Transportation Program consisting of both **door-to-door** and **door-through-door** assistance as explained below.
- 10.1.1 **Door-to-Door:** A form of escorted transportation services that includes Client assistance between the vehicle and the door of the Client's home or other destinations but does not entail the Escort Driver going inside of the home.
- 10.1.1.1 For trips originating from the Client's home, the Escort Driver provides assistance to the extent of light support of a Client's elbow or assistance with a Client's personal belongings, from the door of the Client's home to the entrance of the driver's vehicle. Once at the Client's destination, the Escort Driver provides assistance to the extent of light support of a Client's elbow or assistance with a Client's personal belongings from the door of the driver's vehicle through the door of the drop-off destination, until the Client can confidently navigate their way to the precise destination within the drop-off site.
- 10.1.1.2 For trips ending at the Client's home, the Escort Driver provides assistance to the extent of light support of a Client's elbow or assistance with a Client's personal belongings from the pick-up

location to the door of the driver's vehicle. Once at the Client's home, the Escort Driver provides assistance to the extent of light support of a Client's elbow or assistance with a Client's personal belongings to the door of the Client's home.

10.1.2 Door-through-Door: A hands-on service for Clients with significant mobility limitations in which an Escort Driver helps Clients through the doors of their residences or destinations and may provide assistance with belongings.

10.1.2.1 An Escort Driver can provide Clients with door-to-door services, in addition to but not limited to the services and deliverables described at Subsection 10.1.1; services may include limited caregiving function inside of clients home such as helping with putting on a Clients coat, carrying a Clients bags, tying a Clients shoes, and assuring that the Clients home is locked. Upon returning to the home of the Client, Escort Drivers will assist Clients to safely enter the home and assist with any belongings the Client is bringing into the home.

10.2 Subrecipient shall conduct an initial assessment to determine Client eligibility as described in Section 1.2, Eligibility Criteria.

10.2.1 Subrecipient shall complete the New Freedom: Door-Assistance Transportation Program Application and complete, at a minimum:

- 10.2.2.1 Client's Name
- 10.2.2.2 Client's address
- 10.2.2.3 Date of Birth
- 10.2.2.4 Activities of Daily Living (ADL's)
- 10.2.2.5 Instrumental Activities of Daily Living (IADL's)
- 10.2.2.6 Disability
- 10.2.2.7 Mobility Aids
- 10.2.2.8 Means of Transportation
- 10.2.2.9 Mobility Management Survey

10.3 Subrecipient shall provide Program services within two (2) weeks of initial assessment.

10.4 Subrecipient shall have by commencement of the Subaward, a current certificate, permit or registration issued by the California Public Utilities Commission (CPUC) Transportation Safety and Enforcement Division, which has oversight over passenger carriers within the State of California. CPUC certification ensures that the Subrecipient meets the requirements and regulations to be a licensed passenger transporting agency.

10.5 Subrecipient shall have by commencement of the Subaward be enrolled in the California Department of Motor Vehicles' (DMV) Employer Pull Notice Program (EPN). The EPN is a program by which the Subrecipient's drivers are subject to the verification of driving records to determine any past or current driving violations.

- 10.6 Subrecipient shall maintain all service vehicles, related accessories, equipment, and facilities required per this Subaward in good order and in a condition satisfactory to the County Mobility Manager. Subrecipient, at its sole cost and expense, shall provide all fuel, lubricants, repairs, cleaning, parts, supplies, labor, maintenance, major components, and component rebuilding and replacement to provide the maintenance required for the operation of all equipment pursuant to this Subaward.
- 10.6.1 Subrecipient will ensure service vehicles, and any other equipment necessary to provide Services, shall be in good repair and in accordance with the manufacturers' recommended maintenance procedures, as well as with applicable Federal and State regulations.
- 10.6.2 Subrecipient shall inspect vehicles once per year, at minimum, to ensure vehicle meets Subaward safety guidelines.
- 10.6.2.1 Subrecipient shall keep record of all vehicle inspections and make records available to Subaward Manager, upon request.
- 10.6.2.2 If a vehicle does not pass inspection, Subrecipient will ensure vehicle is removed from service fleet until the vehicle has passed inspection.
- 10.7 Subrecipient shall deploy a comprehensive dispatch system. The required system shall possess each of the following elements:
- 10.7.1 A comprehensive and integrated dispatching software. This software shall include:
- 10.7.1.1 Take inputs (pick-up locations) and provide the optimal routes with schedules, based on available service vehicles.
- 10.7.1.2 Dynamically adjust with changes or new inputs.
- 10.7.1.3 The ability to dispatch service trips in advance and in real time.
- 10.7.2 Global Positioning Satellite receivers shall be installed in each Service vehicle. This is to provide real time location of the Service vehicle and shall be integrated and interfacing with the dispatching system in real-time.
- 10.8 Subrecipient shall provide monthly reports to County Program Manager which include but not limited to:
- 10.8.1 Client's Name
- 10.8.2 Date of Birth
- 10.8.3 Address
- 10.8.4 Supervisorial District
- 10.8.5 Number of one way trips
- 10.8.6 Types of trips

- 10.11 Subrecipient shall make provisions for maintaining vehicle accessibility features (e.g., ramps, lifts, etc.), service animals, service to persons with respirators or portable oxygen, announcements of stops on fixed route service, and any other requirements in 49 CFR Part 37, Subpart G.
- 10.12 In addition to what is described at Subsection 6.1.2.2, before operating a vehicle for program Services, Escort Driver shall:
- 10.12.1 Perform a daily pre-trip inspection before performing Program services to ensure the vehicle is inspected for compliance with safety requirements (e.g., proper tire inflation and tire wear; properly functioning headlamps, taillights, and turn-signal indicators; functional seat belts, windshield wipers, check fluid levels and leaks, functional vehicle safety features, etc.) and have a properly functioning communication device that can be used to communicate with Subrecipient's dispatch personnel.
 - 10.12.2 Inspect and verify daily that any vehicle used to provide services under this Subaward has:
 - 10.12.2.1 Current and valid registration and insurance;
 - 10.12.2.2 Fully functional heating and cooling ventilation systems;
 - 10.12.2.3 Fully functional and accessible seats for all passengers and Escort Driver;
 - 10.12.2.4 Fully functional doors and handles on all doors;
 - 10.12.2.5 Fully functional speedometer;
 - 10.12.2.6 Fully functional horn, headlamps and taillights, turn signals, and windshield wipers;
 - 10.12.2.7 Fully functional wheelchair lifts, locks, racks, and/or ramps, or other vehicle accessibility and safe travel features.
 - 10.12.2.8 Intact and fully functional rearview mirrors; and,
 - 10.12.2.9 Safe tires with adequate tread depth (i.e., tires are inflated according to the tire manufacturer's specifications, and that the tires in use meet the vehicle manufacturer's recommended type and inflation pressure levels; check for uneven tread wear and uneven wear between front and back tires; ensure there are no exposed steel belts or bulges on the side walls, etc.).
 - 10.12.4 Escort Driver shall maintain a daily log confirming vehicle inspection and shall not use any vehicle for Services that do not meet the requirements described herein.

- 10.13 Escort Driver shall not, at any time, travel with more passengers than vehicle may safely accommodate, and in no case shall Escort Driver travel with more than five (5) passengers in a single vehicle.
- 10.14 Escort Driver shall call 911 immediately if a Client is in need of medical services.
- 10.15 Escort Driver shall assist the Client to and from the vehicle and ensure the Client is properly secured in the vehicle (e.g., seat belts, wheel chair locks, etc.).
- 10.16 Escort Driver shall ensure that any children in the vehicle are seated in an approved child restraint seat or, for children that are no longer required to use a child restraint seat, are seated correctly in a rear-seat, away from a front-end airbag.
- 10.17 Escort Driver shall not accept gratuities, favors, gifts, or anything of monetary value from Clients.
- 10.18 Escort Driver shall wear a photo identification badge in accordance with the requirements of Appendix C (Sample Subaward) Paragraph 7.3 (Subrecipient's Staff Identification). At a minimum, the identification badge shall include the name of Subrecipient, name of the Escort Driver and the Subrecipient's CPUC permit, license or registration number.
- 10.19 In addition to the daily inspection vehicle log, described at Subsection 10.12.4, Escort Driver shall maintain a daily trip log, to account for all County approved trips. The daily trip log will be provided by the County, and will include, but is not limited to the following;
- 10.19.1 For trips originating at the Client's home, the noted time of the trip start will be at the moment before the Escort Driver exits the vehicle to assist the Client into the vehicle. The noted time of the trip end will be the moment the Escort Driver returns to the vehicle after having escorted the Client to the point of destination.
- 10.19.2 For trips originating away from the Client's home, the noted time of the trip start will be at the moment before the Escort Driver exits the vehicle to assist the Client into the vehicle. The noted time of the trip end will be the moment the Escort Driver returns to the vehicle after having escorted the Client to the door of the Client's home.
- 10.20 Escort Driver shall accommodate the storage and securement of Client's mobility aids and belongings as well as help to safely secure the Client in Client's seat at the Client's request.
- 10.21 If there are any changes to a trip, as approved by the County, Escort Driver shall document all changes(s) made to the original trip plan,

- 10.22 Prior to arrival of an Escort Driver to a Client, Subrecipient shall call the Client to confirm the trip details, in addition to confirming if the Client requires any special requirements (i.e., assistance with wheelchair, service animals, etc.).
- 10.23 If the Client cancels the appointment or is a “no show” cancellation, Subrecipient must document the cancellation in the Client’s file.
- 10.24 Escort Driver shall arrive at the Client’s location within five minutes of the scheduled arrival time.
- 10.25 Escort Driver arrival and departure times shall be communicated and verified by the Subrecipient’s Project Director or designee.
- 10.26 All scheduled changes are at the discretion of the Subrecipient’s Project Director or designee.
- 10.27 Subrecipient shall document schedule changes approved by the Project Director and the reason for the change in the Client’s file.
- 10.28 Escort Driver shall operate the vehicle safely at all times; obey all posted street and highway signs and all applicable requirements of the California Vehicle Code.
- 10.29 In addition to the Escort driver daily client log requirements, described at Subsection 10.19, Subrecipient shall maintain a record of all Escort Driver's daily logs confirming vehicle inspection and shall not permit the use of any vehicle for Services that does not meet the requirements herein in accordance with the record keeping requirements of this Subaward, as listed in Appendix C (Sample Subaward), Paragraph 8.38 (Record Retention and Inspection/Audit Settlement).
- 10.30 Subrecipient shall be solely responsible for all traffic violation related payments or legal proceedings, including any resultant fines, penalties or judgments, incurred related to Subrecipient's performance under this Subaward.
- 10.31 If scheduling trips, Subrecipient shall, to the extent possible, coordinate shared rides to a final destination or to locations along the route to the final destination.
- 10.32 Subrecipient will report every Program service-related accident, no matter how minor, even if there is no apparent damage or injury. Accidents shall be reported to County by telephone and in writing or email within twenty-four (24) hours of the occurrence. Subrecipient shall provide to County, if available, the police report, insurance appraisals, and claims. Subrecipient shall also maintain all records documenting every accident even if there is no apparent damage or injury, in accordance with the record keeping requirements of this Subaward, as listed in Appendix C (Sample Subaward), Paragraph 8.38 (Record Retention and Inspection/Audit Settlement).
- 10.33 The use of commercial vehicles requiring a Commercial Driver’s License may not be used unless approved by County. Subrecipients approved to use commercial vehicles will be required to follow all applicable federal, state and local laws and regulations.

- 10.34 Subrecipient shall be reimbursed by the Unit Rates agreed upon by the County and Subrecipient as stated in Appendix C (Sample Subaward) Exhibit C (Mandated Program Services).
- 10.35 Subrecipient must have written procedures to protect the confidentiality and privacy of all Client information collected in accordance with Title 22 CCR 7500(b).
- 10.36 Subrecipient shall have a minimum of three (3) years of experience within the past five (5) years providing transportation services within Los Angeles County to eligible Clients or services equivalent or substantially similar to those services described herein.
- 10.37 Subrecipient shall be required to provide Services to residents of Los Angeles County and unincorporated areas of Los Angeles County.
- 10.38 Subrecipient shall abide with American with Disabilities Act (ADA) and its requirement to provide reasonable accommodations and auxiliary aid or services.
- 10.39 Subrecipient shall have by Subaward award all of the staffing requirements specified in Section 6.0.
- 10.40 Subrecipient shall have a cash reserve equal to the amount it would cost to operate the program for two months. Grant costs may not be included in cash reserves.
- 10.41 Subrecipient shall ensure all Escort Drivers have a U.S. Department of Justice background check covering the past five (5) years.
- 10.42 Subrecipient shall review the Escort Driver's performance annually, and make recommendations on the Escort Driver's continued employment. The annual review shall include:
- 10.42.1 Comments and/or suggestions from Clients and County; and,
 - 10.42.2 Assurance that each Escort Driver maintains a good driving record, which is defined as having no more than one point, as established by the California Department of Motor Vehicles, in the preceding thirty-six (36) calendar-month period.
- 10.43 Subrecipient shall immediately remove Escort Drivers from performing Subaward Program services who have committed any acts as stated in Subsection 6.4.4, in addition to any and all violations reported through the DMV's Employer Pull Notice (EPN) Program.

- 10.44 Subrecipient shall ensure any vehicle that is not road-worthy or safe to operate will immediately be removed from Service duties until repaired and certified for return to service.
- 10.45 In addition to what is described at Subsection 10.43 and herein, Subrecipient shall ensure that any Escort Driver that does not possess a valid California Driver's License or is accused of operating a vehicle while under the influence of any drug or alcohol is immediately removed from Service duties pending restoration, or in the case of an unlicensed driver, receipt, of their Driver's License. In any instance where an Escort Driver is accused of operating a vehicle while under the influence or driving without a valid state driver's license, the Escort Driver shall not be allowed to perform services under this Subaward until the matter is dismissed or adjudicated, and the result of any adjudication is an acquittal.
- 10.46 Subrecipient shall ensure that appropriate staff is available to respond to Clients, referral sources, and County during Subrecipient's hours of operation.
- 10.47 Subrecipient 's site(s) shall have a telephone answering machine or voice mail system in place during non-business hours.
- 10.47.1 Subrecipient shall respond to all phone calls and phone messages within twenty-four (24) hours of receiving the phone call or message.
- 10.48 Subrecipient shall not utilize or hire Escort Drivers if they have a record of any of the following: Driving under the influence of drugs or alcohol; Reckless driving/driving to endanger; Leaving the scene of an accident; Driving without a license; Driving with a suspended license; Repeated moving violations or accidents, no more than one point or accident in the preceding thirty-six (36) calendar-month period; Driving without required Insurance coverage; and, Driving an unregistered vehicle.
- 10.49 Subrecipient shall ensure all Escort Drivers performing Program services described in this Statement of Work are trained in basic vehicle maintenance, traffic safety, customer service, all at the cost of the Subrecipient.

11.0 GREEN INITIATIVES

- 11.1 Subrecipient shall use reasonable efforts to initiate "green" practices for environmental and energy conservation benefits.
- 11.2 Subrecipient shall purchase, to the extent possible, produces that include recycled content, are durable and long-lasting, conserve energy and water, use agricultural fibers and residues, reduce greenhouse gas emissions, use unbleached or chlorine free manufacturing processes, and use wood from sustainable harvested forests.
- 11.3 Subrecipient shall support strong recycling markets, reduce materials that are put into landfills and increase the use and availability of environmentally preferable products that protect the environment.

- 11.4 To the extent practicable, Subrecipient shall not use cleaning or disinfecting products that contain carcinogens, mutagens, or teratogens. These include chemicals listed by the U.S. Environmental Protection Agency or the National Inventory and those listed under Proposition 65 by the California Office of Environmental Health Hazard Assessment.
- 11.5 Subrecipient shall notify County Program Manager in writing of Subrecipient's new green initiative prior to the commencement of Subaward.

12.0 PERFORMANCE REQUIREMENTS SUMMARY

- 12.1 All listings of Program services used in the Performance Requirements Summary (PRS) chart (see Appendix C (Sample Subaward) Exhibit W, Performance Requirements Summary (PRS) Chart and Appendix B (Statement of Work Exhibits) Exhibit 2, Performance Requirements Summary (PRS) Chart) are intended to be completely consistent with the Subaward and the SOW, and are not meant in any case to create, extend, revise, or expand any obligation of Subrecipient beyond that defined in the Subaward and the SOW. In any case of apparent inconsistency between services as stated in the Subaward and the SOW and this PRS, the meaning apparent in the Subaward and the SOW will prevail.
- 12.2 If after requested to review by Subrecipient, County determines any Service to be created in the PRS which is not clearly and forthrightly set forth in Appendix C (Sample Subaward) and this SOW, that apparent Service will be null and void and place no requirement on Subrecipient.
- 12.3 Subrecipient performance will be reviewed by County on a quarterly basis at a minimum:
 - 12.3.1 A 3/6/9 month review of each Program Year of the Subaward, if Subrecipient is not satisfactorily progressing, technical assistance will be provided and a Corrective Action Plan requested.
 - 12.3.2 Subrecipient acknowledges that any Subrecipient deficiencies that County determines are severe or continuing which may place the performance of this Subaward and any amendments hereto in jeopardy if not corrected, may be reported to the County's databases that track/monitor performance history, as further defined in Appendix C (Sample Subaward), Subparagraph 4.3
 - 12.3.2.1 Any such report as referenced above shall include improvement/corrective action measures taken by County and Subrecipient.
 - 12.3.2.1.1 Notwithstanding the performance requirements and corrective steps specified above, if improvement does not occur consistently with the corrective action measures, County may terminate this Subaward with Subrecipient, and/or any amendments in whole or in part, or take other action as specified in the Subaward.

- 12.3.2.2 Subrecipient acknowledges that satisfactory performance under this Subaward does not automatically guarantee any renewal or extended performance and that any such decision to offer a renewal or extension lies solely with County.

EXHIBIT B

INTENTIONALLY OMITTED

EXHIBIT C

INTENTIONALLY OMITTED

EXHIBIT D
(SUBRECIPIENT'S EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION)

GENERAL CERTIFICATION

In accordance with Los Angeles County Code Section 4.32.010, Subrecipient certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

SUBRECIPIENT'S SPECIFIC CERTIFICATIONS

Subrecipient has a written policy statement prohibiting discrimination in all phases of employment. ☐ Yes
☐ No

Subrecipient periodically conducts a self-analysis or utilization analysis of its workforce. ☐ Yes
☐ No

Subrecipient has a system for determining if its employment practices are discriminatory against protected groups. ☐ Yes
☐ No

Where problem areas are identified in employment practices, Subrecipient has a system for taking reasonable corrective action, to include establishment of goals and/or timetables. ☐ Yes
☐ No

[Click here to enter text.](#)

Subrecipient's Name

[Click here to enter text.](#)

Subaward Number

[Click here to enter text.](#)

Internal Revenue Service Employer Identification Number

[Click here to enter text.](#)

Name of Authorized Representative

[Click here to enter text.](#)

Title of Authorized Representative

[Click here to enter a date.](#)

Authorized Representative's Signature

Date

**EXHIBIT E
(COUNTY'S ADMINISTRATION)**

FISCAL YEAR: 2017-18

COUNTY'S DEPARTMENT HEAD

Name: Ms. Cynthia D. Banks
Title: Director
Address: 3175 West Sixth Street
 Los Angeles, CA 90020
Telephone: (213) 637-0798
E-Mail Address: cbanks@wdacs.lacounty.gov

COUNTY'S CONTRACT MANAGER

Name: Ms. Carol Domingo
Title: Program Manager
Address: 3175 West Sixth Street
 Los Angeles, CA 90020
Telephone: (213) 639-6339
E-Mail Address: cdomingostephen@wdacs.lacounty.gov

COUNTY'S PROGRAM MANAGER

Name: Ms. Veronica Sigala
Title: Program Manager
Address: 3333 Wilshire Boulevard, Room 400
 Los Angeles, CA 90010
Telephone: (213) 910-1662
E-Mail Address: vsigala@wdacs.lacounty.gov

COUNTY'S COMPLIANCE MANAGER

Name: Mr. Paul Goldman
Title: Assistant Director
Address: 3175 West Sixth Street
 Los Angeles, CA 90020
Telephone: (213) 738-2783
E-Mail Address: pgoldman@wdacs.lacounty.gov

EXHIBIT F
(SUBRECIPIENT'S ADMINISTRATION)

SUBRECIPIENT'S NAME: Click here to enter text.

SUBAWARD NUMBER: Click here to enter text.

DUN NUMBER: Click here to enter text.

SUBRECIPIENT'S PROJECT MANAGER:

Name: Click here to enter text.

Title: Click here to enter text.

Address: Click here to enter text.

Click here to enter text.

Telephone: Click here to enter text.

E-Mail Address: Click here to enter text.

SUBRECIPIENT'S AUTHORIZED OFFICIAL(S):

Name: Click here to enter text.

Title: Click here to enter text.

Address: Click here to enter text.

Click here to enter text.

Telephone: Click here to enter text.

E-Mail Address: Click here to enter text.

Name: Click here to enter text.

Title: Click here to enter text.

Address: Click here to enter text.

Click here to enter text.

Telephone: Click here to enter text.

E-Mail Address: Click here to enter text.

NOTICES TO SUBRECIPIENT SHALL BE SENT TO:

Name: Click here to enter text.

Title: Click here to enter text.

Address: Click here to enter text.

Click here to enter text.

Telephone: Click here to enter text.

E-Mail Address: Click here to enter text.

Name: Click here to enter text.

Title: Click here to enter text.

Address: Click here to enter text.

Click here to enter text.

Telephone: Click here to enter text.

E-Mail Address: Click here to enter text.

INVOICES – AUTHORIZED SIGNER:

Name: Click here to enter text.

Title: Click here to enter text.

Address: Click here to enter text.

Click here to enter text.

Telephone: Click here to enter text.

E-Mail Address: Click here to enter text.

Signature: _____

BUDGET ANALYST:

Name: Click here to enter text.

Title: Click here to enter text.

Address: Click here to enter text.

Click here to enter text.

Telephone: Click here to enter text.

E-Mail Address: Click here to enter text.

EXHIBIT G1
(SUBRECIPIENT ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT)

GENERAL INFORMATION

Subrecipient has entered into this Subaward with County of Los Angeles to provide certain Services to County. County requires Subrecipient to sign this Subrecipient Acknowledgement and Confidentiality Agreement.

SUBRECIPIENT ACKNOWLEDGEMENT

Subrecipient understands and agrees that Subrecipient employees, consultants, outsourced vendors and independent contractors ("Subrecipient's Staff") that will provide Services in this Subaward are Subrecipient's sole responsibility. Subrecipient understands and agrees that Subrecipient's Staff must rely exclusively upon Subrecipient for payment of salary and any and all other benefits payable by virtue of Subrecipient's Staff's performance of Work under this Subaward.

Subrecipient understands and agrees that Subrecipient's Staff are not employees of County of Los Angeles for any purpose whatsoever and that Subrecipient's Staff do not have and will not acquire any rights or benefits of any kind from County of Los Angeles by virtue of Subrecipient's Staff's performance of Work under this Subaward. Subrecipient understands and agrees that Subrecipient's Staff will not acquire any rights or benefits from County of Los Angeles pursuant to any agreement between any person or entity and County of Los Angeles.

CONFIDENTIALITY AGREEMENT

Subrecipient and Subrecipient's Staff may be involved with Work pertaining to Services provided by County of Los Angeles and, if so, Subrecipient and Subrecipient's Staff may have access to confidential data and information pertaining to persons and/or entities receiving Services from County. In addition, Subrecipient and Subrecipient's Staff may also have access to proprietary information supplied by other vendors doing business with County of Los Angeles. County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Subrecipient and Subrecipient's Staff understand that if they are involved in County Work, County must ensure that Subrecipient and Subrecipient's Staff will protect the confidentiality of such data and information. Consequently, Subrecipient must sign this Confidentiality Agreement as a condition of the Work to be provided by Subrecipient's Staff for County.

Subrecipient and Subrecipient's Staff hereby agree that they will not divulge to any unauthorized person any data or identifying information obtained while performing Work pursuant to this Subaward without prior written authorization from County. Subrecipient and Subrecipient's Staff agree to forward all requests for the release of any data or identifying information received to County's Program Manager. Subrecipient may be authorized, in writing, by Client to disclose identifying information specific to the authorizing

Client. However, Subrecipient shall not request or encourage Client to give a blanket authorization or sign a blanket release nor shall Subrecipient accept such blanket authorization from Client.

Subrecipient and Subrecipient's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving Services from County, design concepts, algorithms, programs, formats, documentation, Subrecipient proprietary information and all other original materials produced, created, or provided to Subrecipient and Subrecipient's Staff under this Subaward. Subrecipient and Subrecipient's Staff agree to protect these confidential materials against disclosure to other than Subrecipient or County employees who have a need to know the information. Subrecipient and Subrecipient's Staff agree that if proprietary information supplied by other County vendors is provided to Subrecipient's Staff during this employment, Subrecipient and Subrecipient's Staff shall keep such information confidential.

Subrecipient and Subrecipient's Staff agree to report any and all violations of this Confidentiality Agreement by Subrecipient and Subrecipient's Staff and/or by any other person of whom Subrecipient and Subrecipient's Staff become aware. Subrecipient shall report such violations to County's Program Manager.

Subrecipient and Subrecipient's Staff acknowledge that violation of this Confidentiality Agreement may subject Subrecipient and Subrecipient's Staff to civil and/or criminal action and that County of Los Angeles may seek all possible legal redress.

[Click here to enter text.](#)

Subrecipient's Name

[Click here to enter text.](#)

Subaward Number

[Click here to enter text.](#)

Name of Authorized Representative

[Click here to enter text.](#)

Title of Authorized Representative

Authorized Representative's Signature

[Click here to enter a date.](#)

Date

EXHIBIT G2

INTENTIONALLY OMITTED

EXHIBIT G3

INTENTIONALLY OMITTED

EXHIBIT H (JURY SERVICE ORDINANCE)

Los Angeles County Code
Title 2 (Administration)
Chapter 2.203.010 through 2.203.090
Contractor Employee Jury Service

2.203.010 Findings.

The Board of Supervisors makes the following findings. The County of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the County of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the County of Los Angeles has determined that it is appropriate to require that the businesses with which the County contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002).

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
 - 1. A contract where the Board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or

4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
 8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
 2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the County of Los Angeles or any public entities for which the Board of Supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

2.203.050 Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

- 1. Recommend to the Board of Supervisors the termination of the contract; and/or,
- 2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

2.203.070. Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
 - 1. Has ten or fewer employees during the contract period; and,

2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

“Dominant in its field of operation” means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

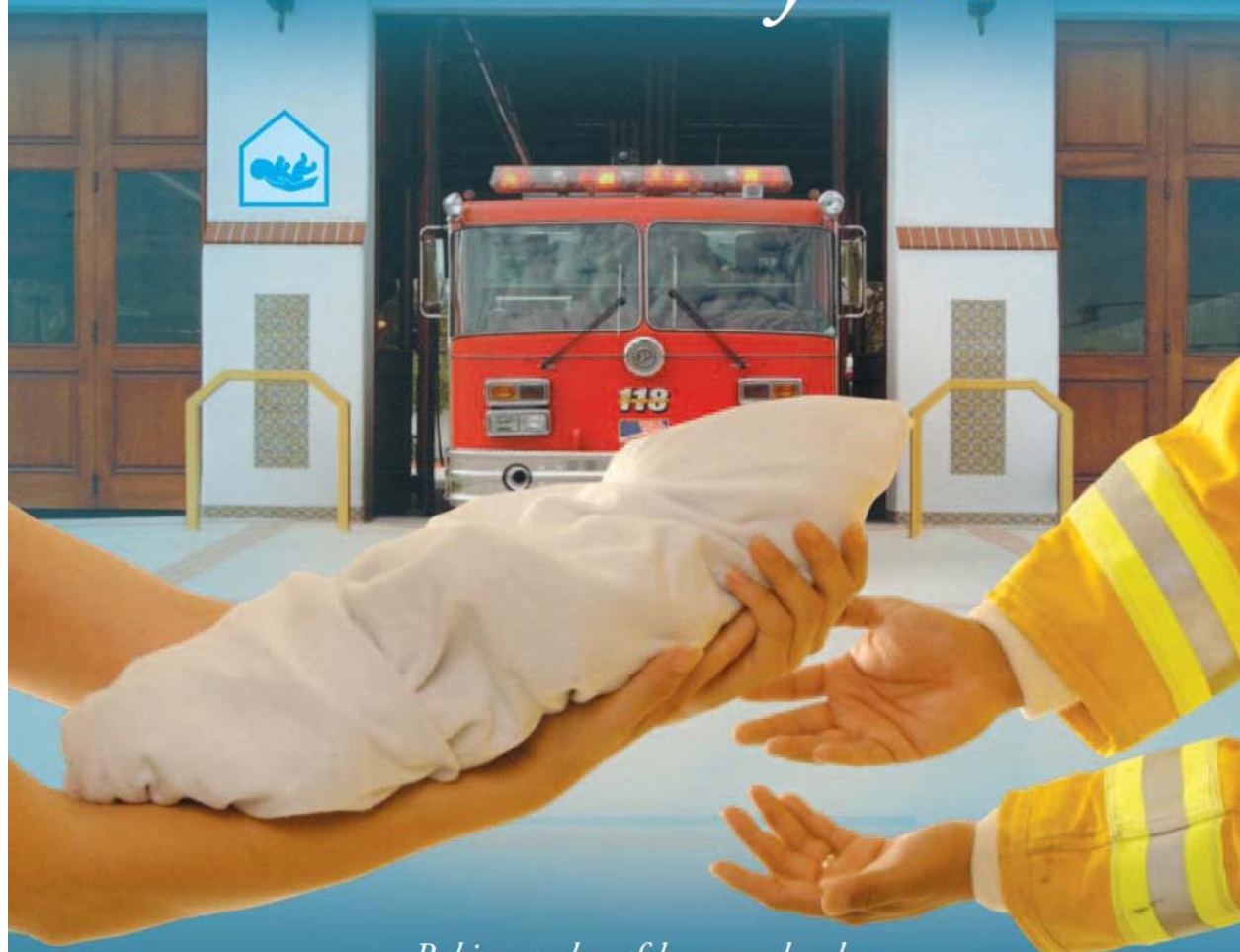
“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

EXHIBIT I
(SAFELY SURRENDERED BABY LAW)

Safely Surrendered *Baby Law*



*Babies can be safely surrendered
to staff at any hospital or fire station in Los Angeles County*

No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a baby, let her know there are other options. For three days (72 hours) after birth, a baby can be surrendered to staff at any hospital or fire station in Los Angeles County.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

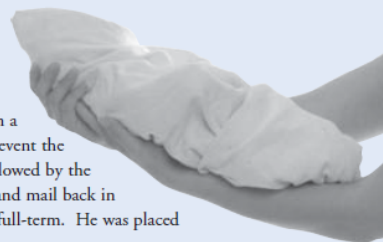
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



Ley de Entrega de Bebés *Sin Peligro*



*Los recién nacidos pueden ser entregados en forma segura al personal
de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles*

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



EXHIBIT J

INTENTIONALLY OMITTED

EXHIBIT K

INTENTIONALLY OMITTED

EXHIBIT L

INTENTIONALLY OMITTED

EXHIBIT M1

INTENTIONALLY OMITTED

EXHIBIT M2

INTENTIONALLY OMITTED

EXHIBIT M3

INTENTIONALLY OMITTED

EXHIBIT N
(BUSINESS ASSOCIATE AGREEMENT UNDER THE HEALTH INSURANCE
PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA"))

County is a Covered Entity as defined by, and subject to the requirements and prohibitions of, the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (HIPAA), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (collectively, the "HIPAA Rules").

Contractor performs or provides functions, activities or services to County that require Contractor in order to provide such functions, activities or services to create, access, receive, maintain, and/or transmit information that includes or that may include Protected Health Information, as defined by the HIPAA Rules. As such, Contractor is a Business Associate, as defined by the HIPAA Rules, and is therefore subject to those provisions of the HIPAA Rules that are applicable to Business Associates.

The HIPAA Rules require a written agreement ("Business Associate Agreement") between County and Contractor in order to mandate certain protections for the privacy and security of Protected Health Information, and these HIPAA Rules prohibit the disclosure to or use of Protected Health Information by Contractor if such an agreement is not in place.

This Business Associate Agreement and its provisions are intended to protect the privacy and provide for the security of Protected Health Information disclosed to or used by Contractor in compliance with the HIPAA Rules.

Therefore, the parties agree as follows:

1. DEFINITIONS

- 1.1 "Breach" has the same meaning as the term "breach" at 45 C.F.R. § 164.402.
- 1.2 "Business Associate" has the same meaning as the term "business associate" at 45 C.F.R. § 160.103. For the convenience of the parties, a "business associate" is a person or entity, other than a member of the workforce of covered entity, who performs functions or activities on behalf of, or provides certain services to, a covered entity that involve access by the business associate to Protected Health Information. A "business associate" also is a subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of another business associate. And in reference to the party to this Business Associate Agreement "Business Associate" shall mean Contractor.

- 1.3 "Covered Entity" has the same meaning as the term "covered entity" at 45 C.F.R. § 160.103, and in reference to the party to this Business Associate Agreement, "Covered Entity" shall mean County.
- 1.4 "Data Aggregation" has the same meaning as the term "data aggregation" at 45 C.F.R. § 164.501.
- 1.5 "De-identification" refers to the de-identification standard at 45 C.F.R. § 164.514.
- 1.6 "Designated Record Set" has the same meaning as the term "designated record set" at 45 C.F.R. § 164.501.
- 1.7 "Disclose" and "Disclosure" mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its workforce. (See 45 C.F.R. § 160.103.)
- 1.8 "Electronic Health Record" means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff. (See 42 U.S. C. § 17921.)
- 1.9 "Electronic Media" has the same meaning as the term "electronic media" at 45 C.F.R. § 160.103. For the convenience of the parties, electronic media means (1) Electronic storage material on which data is or may be recorded electronically, including, for example, devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the Internet, extranet or intranet, leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media if the information being exchanged did not exist in electronic form immediately before the transmission.
- 1.10 "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" at 45 C.F.R. § 160.103, limited to Protected Health Information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Electronic Protected Health Information means Protected Health Information that is (i) transmitted by electronic media; (ii) maintained in electronic media.

- 1.11 "Health Care Operations" has the same meaning as the term "health care operations" at 45 C.F.R. § 164.501.
- 1.12 "Individual" has the same meaning as the term "individual" at 45 C.F.R. § 160.103. For the convenience of the parties, Individual means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502 (g).
- 1.13 "Law Enforcement Official" has the same meaning as the term "law enforcement official" at 45 C.F.R. § 164.103.
- 1.14 "Minimum Necessary" refers to the minimum necessary standard at 45 C.F.R. § 164.502 (b).
- 1.15 "Protected Health Information" has the same meaning as the term "protected health information" at 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity, and includes Protected Health Information that is made accessible to Business Associate by Covered Entity. "Protected Health Information" includes Electronic Protected Health Information.
- 1.16 "Required by Law" " has the same meaning as the term "required by law" at 45 C.F.R. § 164.103.
- 1.17 "Secretary" has the same meaning as the term "secretary" at 45 C.F.R. § 160.103
- 1.18 "Security Incident" has the same meaning as the term "security incident" at 45 C.F.R. § 164.304.
- 1.19 "Services" means, unless otherwise specified, those functions, activities, or services in the applicable underlying Agreement, Contract, Master Agreement, Work Order, or Purchase Order or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

- 1.20 "Subcontractor" has the same meaning as the term "subcontractor" at 45 C.F.R. § 160.103.
- 1.21 "Unsecured Protected Health Information" has the same meaning as the term "unsecured protected health information" at 45 C.F.R. § 164.402.
- 1.22 "Use" or "Uses" means, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate's internal operations. (See 45 C.F.R § 164.103.)
- 1.23 Terms used, but not otherwise defined in this Business Associate Agreement, have the same meaning as those terms in the HIPAA Rules.

2. PERMITTED AND REQUIRED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 2.1 Business Associate may only Use and/or Disclose Protected Health Information as necessary to perform Services, and/or as necessary to comply with the obligations of this Business Associate Agreement.
- 2.2 Business Associate may Use Protected Health Information for de-identification of the information if de-identification of the information is required to provide Services.
- 2.3 Business Associate may Use or Disclose Protected Health Information as Required by Law.
- 2.4 Business Associate shall make Uses and Disclosures and requests for Protected Health Information consistent with the Covered Entity's applicable Minimum Necessary policies and procedures.
- 2.5 Business Associate may Use Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities.
- 2.6 Business Associate may Disclose Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities, provided the Disclosure is Required by Law or Business Associate obtains reasonable assurances from the person to whom the Protected Health Information is disclosed (i.e., the recipient) that it will be held confidentially and Used or further Disclosed only as Required by Law or for the purposes for which it was disclosed to the recipient and the recipient notifies Business Associate of any instances of which it is aware in which the confidentiality of the Protected Health Information has been breached.

- 2.7 Business Associate may provide Data Aggregation services relating to Covered Entity's Health Care Operations if such Data Aggregation services are necessary in order to provide Services.

3. PROHIBITED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 3.1 Business Associate shall not Use or Disclose Protected Health Information other than as permitted or required by this Business Associate Agreement or as Required by Law.
- 3.2 Business Associate shall not Use or Disclose Protected Health Information in a manner that would violate Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except for the specific Uses and Disclosures set forth in Sections 2.5 and 2.6.
- 3.3 Business Associate shall not Use or Disclose Protected Health Information for de-identification of the information except as set forth in section 2.2.

4. OBLIGATIONS TO SAFEGUARD PROTECTED HEALTH INFORMATION

- 4.1 Business Associate shall implement, use, and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information other than as provided for by this Business Associate Agreement.
- 4.2 Business Associate shall comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for by this Business Associate Agreement.

5. REPORTING NON-PERMITTED USES OR DISCLOSURES, SECURITY INCIDENTS, AND BREACHES OF UNSECURED PROTECTED HEALTH INFORMATION

- 5.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information not permitted by this Business Associate Agreement, any Security Incident, and/ or any Breach of Unsecured Protected Health Information as further described in Sections 5.1.1, 5.1.2, and 5.1.3.
- 5.1.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors not provided for by this Agreement of which Business Associate becomes aware.

- 5.1.2 Business Associate shall report to Covered Entity any Security Incident of which Business Associate becomes aware.
- 5.1.3. Business Associate shall report to Covered Entity any Breach by Business Associate, its employees, representatives, agents, workforce members, or Subcontractors of Unsecured Protected Health Information that is known to Business Associate or, by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach of Unsecured Protected Health Information if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of Business Associate, including a Subcontractor, as determined in accordance with the federal common law of agency.
- 5.2 Except as provided in Section 5.3, for any reporting required by Section 5.1, Business Associate shall provide, to the extent available, all information required by, and within the times frames specified in, Sections 5.2.1 and 5.2.2.
- 5.2.1 Business Associate shall make an immediate telephonic report upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information to **(562) 940-3335** that minimally includes:
- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
 - (b) The number of Individuals whose Protected Health Information is involved;
 - (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
 - (d) The name and contact information for a person highly knowledge of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach

5.2.2 Business Associate shall make a written report without unreasonable delay and in no event later than three (3) business days from the date of discovery by Business Associate of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach of Unsecured Protected Health Information and to the **Chief Privacy Officer at: Chief Privacy Officer, Kenneth Hahn Hall of Administration, 500 West Temple Street, Suite 525, Los Angeles, California 90012, HIPAA@auditor.lacounty.gov**, that includes, to the extent possible:

- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
- (b) The number of Individuals whose Protected Health Information is involved;
- (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
- (d) The identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, Used, or Disclosed;
- (e) Any other information necessary to conduct an assessment of whether notification to the Individual(s) under 45 C.F.R. § 164.404 is required;
- (f) Any steps Business Associate believes that the Individual(s) could take to protect him or herself from potential harm from the non-permitted Use or Disclosure, Security Incident, or Breach;
- (g) A brief description of what Business Associate is doing to investigate, to mitigate harm to the Individual(s), and to protect against any further similar occurrences; and
- (h) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-

permitted Use or Disclosure of PHI, Security Incident, or Breach.

5.2.3 If Business Associate is not able to provide the information specified in Section 5.2.1 or 5.2.2 at the time of the required report, Business Associate shall provide such information promptly thereafter as such information becomes available.

5.3 Business Associate may delay the notification required by Section 5.1.3, if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security.

5.3.1 If the law enforcement official's statement is in writing and specifies the time for which a delay is required, Business Associate shall delay its reporting and/or notification obligation(s) for the time period specified by the official.

5.3.2 If the statement is made orally, Business Associate shall document the statement, including the identity of the official making the statement, and delay its reporting and/or notification obligation(s) temporarily and no longer than 30 days from the date of the oral statement, unless a written statement as described in Section 5.3.1 is submitted during that time.

6. WRITTEN ASSURANCES OF SUBCONTRACTORS

6.1 In accordance with 45 C.F.R. § 164.502 (e)(1)(ii) and § 164.308 (b)(2), if applicable, Business Associate shall ensure that any Subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate is made aware of its status as a Business Associate with respect to such information and that Subcontractor agrees in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to such information.

6.2 Business Associate shall take reasonable steps to cure any material breach or violation by Subcontractor of the agreement required by Section 6.1.

6.3 If the steps required by Section 6.2 do not cure the breach or end the violation, Contractor shall terminate, if feasible, any arrangement with Subcontractor by which Subcontractor creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate.

6.4 If neither cure nor termination as set forth in Sections 6.2 and 6.3 is feasible, Business Associate shall immediately notify County.

- 6.5 Without limiting the requirements of Section 6.1, the agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall require Subcontractor to contemporaneously notify Covered Entity in the event of a Breach of Unsecured Protected Health Information.
- 6.6 Without limiting the requirements of Section 6.1, agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall include a provision requiring Subcontractor to destroy, or in the alternative to return to Business Associate, any Protected Health Information created, received, maintained, or transmitted by Subcontractor on behalf of Business Associate so as to enable Business Associate to comply with the provisions of Section 18.4.
- 6.7 Business Associate shall provide to Covered Entity, at Covered Entity's request, a copy of any and all Subcontractor Business Associate Agreements required by Section 6.1.
- 6.8 Sections 6.1 and 6.7 are not intended by the parties to limit in any way the scope of Business Associate's obligations related to Subcontracts or Subcontracting in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

7. ACCESS TO PROTECTED HEALTH INFORMATION

- 7.1 To the extent Covered Entity determines that Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within two (2) business days after receipt of a request from Covered Entity, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and shall provide such Individuals(s) or other person(s) designated by Covered Entity with a copy the specified Protected Health Information, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.524.
- 7.2 If any Individual requests access to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within two (2) days of the receipt of the request. Whether access shall be provided or denied shall be determined by Covered Entity.
- 7.3 To the extent that Business Associate maintains Protected Health Information that is subject to access as set forth above in one or more Designated Record Sets electronically and if the Individual requests an electronic copy of such information, Business Associate shall provide the

Individual with access to the Protected Health Information in the electronic form and format requested by the Individual, if it is readily producible in such form and format; or, if not, in a readable electronic form and format as agreed to by Covered Entity and the Individual.

8. AMENDMENT OF PROTECTED HEALTH INFORMATION

- 8.1 To the extent Covered Entity determines that any Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within ten (10) business days after receipt of a written request from Covered Entity, make any amendments to such Protected Health Information that are requested by Covered Entity, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.526.
- 8.2 If any Individual requests an amendment to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request. Whether an amendment shall be granted or denied shall be determined by Covered Entity.

9. ACCOUNTING OF DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 9.1 Business Associate shall maintain an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or Subcontractors, as is determined by Covered Entity to be necessary in order to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.
- 9.1.1 Any accounting of disclosures provided by Business Associate under Section 9.1 shall include:
- (a) The date of the Disclosure;
 - (b) The name, and address if known, of the entity or person who received the Protected Health Information;
 - (c) A brief description of the Protected Health Information Disclosed; and
 - (d) A brief statement of the purpose of the Disclosure.
- 9.1.2 For each Disclosure that could require an accounting under Section 9.1, Business Associate shall document the information specified in Section 9.1.1, and shall maintain the information for six (6) years from the date of the Disclosure.

- 9.2 Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of a written request from Covered Entity, information collected in accordance with Section 9.1.1 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528
- 9.3 If any Individual requests an accounting of disclosures directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request, and shall provide the requested accounting of disclosures to the Individual(s) within 30 days. The information provided in the accounting shall be in accordance with 45 C.F.R. § 164.528.

10. COMPLIANCE WITH APPLICABLE HIPAA RULES

- 10.1 To the extent Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 C.F.R. Part 164, Business Associate shall comply with the requirements of Subpart E that apply to Covered Entity's performance of such obligation(s).
- 10.2 Business Associate shall comply with all HIPAA Rules applicable to Business Associate in the performance of Services.

11. AVAILABILITY OF RECORDS

- 11.1 Business Associate shall make its internal practices, books, and records relating to the Use and Disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity available to the Secretary for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations.
- 11.2 Unless prohibited by the Secretary, Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

12. MITIGATION OF HARMFUL EFFECTS

- 12.1 Business Associate shall mitigate, to the extent practicable, any harmful effect of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement that is known to Business Associate.

13. BREACH NOTIFICATION TO INDIVIDUALS

- 13.1 Business Associate shall, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information by Business

Associate, its employees, representatives, agents or Subcontractors, provide breach notification to the Individual in a manner that permits Covered Entity to comply with its obligations under 45 C.F.R. § 164.404.

13.1.1 Business Associate shall notify, subject to the review and approval of Covered Entity, each Individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of any such Breach.

13.1.2 The notification provided by Business Associate shall be written in plain language, shall be subject to review and approval by Covered Entity, and shall include, to the extent possible:

- (a) A brief description of what happened, including the date of the Breach and the date of the Discovery of the Breach, if known;
- (b) A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);
- (c) Any steps the Individual should take to protect him or herself from potential harm resulting from the Breach;
- (d) A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to Individual(s), and to protect against any further Breaches; and
- (e) Contact procedures for Individual(s) to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

13.2 Covered Entity, in its sole discretion, may elect to provide the notification required by Section 13.1 and/or to establish the contact procedures described in Section 13.1.2.

13.3 Business Associate shall reimburse Covered Entity any and all costs incurred by Covered Entity, in complying with Subpart D of 45 C.F.R. Part 164, including but not limited to costs of notification, internet posting, or media publication, as a result of Business Associate's Breach of Unsecured Protected Health Information; Covered Entity shall not be responsible for any costs incurred by Business Associate in providing the notification

required by 13.1 or in establishing the contact procedures required by Section 13.1.2.

14. INDEMNIFICATION

- 14.1 Business Associate shall indemnify, defend, and hold harmless Covered Entity, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, expenses (including attorney and expert witness fees), and penalties and/or fines (including regulatory penalties and/or fines), arising from or connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement, including, but not limited to, compliance and/or enforcement actions and/or activities, whether formal or informal, by the Secretary or by the Attorney General of the State of California.
- 14.2 Section 14.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Insurance and/or Indemnification in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

15. OBLIGATIONS OF COVERED ENTITY

- 15.1 Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the Use or Disclosure of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own Uses and Disclosures accordingly.
- 15.2 Covered Entity shall not request Business Associate to Use or Disclose Protected Health Information in any manner that would not be permissible under Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except to the extent that Business Associate may Use or Disclose Protected Health Information as provided in Sections 2.3, 2.5, and 2.6.

16. TERM

- 16.1 Unless sooner terminated as set forth in Section 17, the term of this Business Associate Agreement shall be the same as the term of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

- 16.2 Notwithstanding Section 16.1, Business Associate's obligations under Sections 11, 14, and 18 shall survive the termination or expiration of this Business Associate Agreement.

17. TERMINATION FOR CAUSE

- 17.1 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and the breaching party has not cured the breach or ended the violation within the time specified by the non-breaching party, which shall be reasonable given the nature of the breach and/or violation, the non-breaching party may terminate this Business Associate Agreement.
- 17.2 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and cure is not feasible, the non-breaching party may terminate this Business Associate Agreement immediately.

18. DISPOSITION OF PROTECTED HEALTH INFORMATION UPON TERMINATION OR EXPIRATION

- 18.1 Except as provided in Section 18.3, upon termination for any reason or expiration of this Business Associate Agreement, Business Associate shall return or, if agreed to by Covered entity, shall destroy as provided for in Section 18.2, all Protected Health Information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, that Business Associate, including any Subcontractor, still maintains in any form. Business Associate shall retain no copies of the Protected Health Information.
- 18.2 Destruction for purposes of Section 18.2 and Section 6.6 shall mean that media on which the Protected Health Information is stored or recorded has been destroyed and/or electronic media have been cleared, purged, or destroyed in accordance with the use of a technology or methodology specified by the Secretary in guidance for rendering Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals.

18.3 Notwithstanding Section 18.1, in the event that return or destruction of Protected Health Information is not feasible or Business Associate determines that any such Protected Health Information is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities, Business Associate may retain that Protected Health Information for which destruction or return is infeasible or that Protected Health Information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities and shall return or destroy all other Protected Health Information.

18.3.1 Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information, including continuing to use appropriate safeguards and continuing to comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for in Sections 2.5 and 2.6 for so long as such Protected Health Information is retained, and Business Associate shall not Use or Disclose such Protected Health Information other than for the purposes for which such Protected Health Information was retained.

18.3.2 Business Associate shall return or, if agreed to by Covered entity, destroy the Protected Health Information retained by Business Associate when it is no longer needed by Business Associate for Business Associate's proper management and administration or to carry out its legal responsibilities.

18.4 Business Associate shall ensure that all Protected Health Information created, maintained, or received by Subcontractors is returned or, if agreed to by Covered entity, destroyed as provided for in Section 18.2.

19. AUDIT, INSPECTION, AND EXAMINATION

19.1 Covered Entity reserves the right to conduct a reasonable inspection of the facilities, systems, information systems, books, records, agreements, and policies and procedures relating to the Use or Disclosure of Protected Health Information for the purpose determining whether Business Associate is in compliance with the terms of this Business Associate Agreement and any non-compliance may be a basis for termination of this Business Associate Agreement and the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, as provided for in section 17.

- 19.2 Covered Entity and Business Associate shall mutually agree in advance upon the scope, timing, and location of any such inspection.
- 19.3 At Business Associate's request, and to the extent permitted by law, Covered Entity shall execute a nondisclosure agreement, upon terms and conditions mutually agreed to by the parties.
- 19.4 That Covered Entity inspects, fails to inspect, or has the right to inspect as provided for in Section 19.1 does not relieve Business Associate of its responsibility to comply with this Business Associate Agreement and/or the HIPAA Rules or impose on Covered Entity any responsibility for Business Associate's compliance with any applicable HIPAA Rules.
- 19.5 Covered Entity's failure to detect, its detection but failure to notify Business Associate, or its detection but failure to require remediation by Business Associate of an unsatisfactory practice by Business Associate, shall not constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under this Business Associate Agreement or the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 19.6 Section 19.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Inspection and/or Audit and/or similar review in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

20. MISCELLANEOUS PROVISIONS

- 20.1 Disclaimer. Covered Entity makes no warranty or representation that compliance by Business Associate with the terms and conditions of this Business Associate Agreement will be adequate or satisfactory to meet the business needs or legal obligations of Business Associate.
- 20.2 HIPAA Requirements. The Parties agree that the provisions under HIPAA Rules that are required by law to be incorporated into this Amendment are hereby incorporated into this Agreement.
- 20.3 No Third Party Beneficiaries. Nothing in this Business Associate Agreement shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

- 20.4 Construction. In the event that a provision of this Business Associate Agreement is contrary to a provision of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, the provision of this Business Associate Agreement shall control. Otherwise, this Business Associate Agreement shall be construed under, and in accordance with, the terms of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 20.5 Regulatory References. A reference in this Business Associate Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- 20.6 Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Rules.
- 20.7 Amendment. The parties agree to take such action as is necessary to amend this Business Associate Agreement from time to time as is necessary for Covered Entity or Business Associate to comply with the requirements of the HIPAA Rules and any other privacy laws governing Protected Health Information.

EXHIBIT O
(CHARITABLE CONTRIBUTIONS CERTIFICATION)

The Nonprofit Integrity Act (Senate Bill 1262 Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act which regulates those receiving and raising charitable contributions.

Select the certification below that is applicable to your organization:

- ☐ Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Contractor engages in activities subjecting it to those laws during the term of a County contract, Contractor will timely comply with them and provide County's Contract Manager a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.

- ☐ Contractor is registered with the California Registry of Charitable Trusts under the CT number listed below and is in compliance with its registration and reporting requirements under California law. Attached is a copy of Contractor's most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations Sections 300-301 and Government Code Sections 12585-12586.

Declaration

I declare under penalty of perjury under the laws of the State of California that the information stated herein is true and correct.

Click here to enter text.

Contractor's Name

Click here to enter text.

Contract Number

Click here to enter text.

Internal Revenue Service Employer Identification Number

Click here to enter text.

California Registry of Charitable Trusts "CT" number (if applicable)

Click here to enter text.

Name of Authorized Representative

Click here to enter text.

Title of Authorized Representative

Click here to enter a date.

Authorized Representative's Signature

Date

EXHIBIT P (DEFINITIONS)

The terms below shall be defined to have the following meaning:

Board of Supervisors: The Board of Supervisors of County of Los Angeles.

Client: A person receiving Services.

Contract (“Subaward”): Also referred herein as an “Agreement”, is executed between County and Subrecipient. It sets forth the terms and conditions for the issuance and performance of the Statement of Work.

Contractor (“Subrecipient”): The sole proprietor, partnership, or corporation that has entered into this Subaward with County to perform or execute the work covered by Exhibit A (Statement of Work).

Contracts Management Division (CMD): Contract Management Division is the WDACS Department responsible for this Subaward.

County: The County of Los Angeles.

County Contract Administrator (CCA): Person with responsibility to oversee the day-to-day activities of this Subaward. Responsibility for inspections of any and all tasks, deliverables, goods, services, and other work provided by Subrecipient.

County Contract Manager: Person designated as chief contact person with respect to the day-to-day administration of this Subaward.

WDACS Mobility Manager: County staff member who organizes and coordinates activities to meet the mobility needs of individual Clients including, but not limited to: determining client eligibility for County transportation programs, referring Clients to other transportation providers, trip planning and counseling, providing educational programs, and coordinating with other community organizations to help Clients maintain mobility options.

Day(s): Calendar day(s) unless otherwise specified.

Eligible Individual: Any person County identifies as able to receive services per federal, state, and County rules, regulations, and policy.

Escort Driver: A Contractor employee who operates Contractor’s vehicle to provide Door Assistance Transportation to Clients. This includes providing physical assistance to the extent of light support of a Client’s elbow or carrying of Client’s personal belongings to or from the door of the Client’s home and through the door of points of trip origin or trip termination that are not the Client’s home.

Individual with a Disability; A person eighteen (18) years of age or older with who because of illness, injury, age, congenital malfunction, or other incapacity or temporary or permanent disability (including an individual who is a wheel-chair user or has semi-ambulatory capability), cannot use effectively, without special facilities, planning, or design, public transportation service or a public transportation facility.

Fiscal Year: The twelve (12) month period beginning July 1st and ending the following June 30th.

Flat File: A data processing file containing records that have no structured relationship.

Frail: Older individuals, as defined in the Older Americans Act (OAA), Title I, Section 102 (22), determined to be functionally impaired because the Older Individual is either:

- a. Unable to perform at least two (2) Activities of Daily Living (ADL) as stated in California Health and Safety Code 1539.2 (h) including dressing, feeding, toileting, bathing, grooming, and mobility, and associated tasks without substantial human assistance, including verbal reminding, physical cueing, or supervision; or at the option of the state is unable to perform at least (3) activities without such assistance; or
- b. Due to cognitive or other mental impairment requires substantial supervision because the individual behaves in a manner that poses a serious health or safety hazard to the individual or to another individual.

Lower Tier Subaward (“Subcontract”): The written and legally binding agreement that is executed between Subrecipient and a third-party vendor (where the vendor is a third-party to this Subaward). It sets forth the terms and conditions for the issuance and performance of any element of the Statement of Work. Such agreement shall be pre-approved by County prior to its execution between the parties.

Lower Tier Subrecipient (“Subcontractor”): A third-party vendor who is properly procured by Subrecipient for the purpose of completing the Work/providing Services in accordance with this Subaward.

Older Individual: An individual who is sixty (60) years of age or older

Program Income: Program income means income received by Subrecipient and/or Lower Tier Subrecipient that is directly generated by a grant or subgrant supported activity, or earned only as a result of the grant or subgrant. Program income includes:

- a. Income from fees for services performed and from conferences;
- b. Income from the use or rental of real or personal property acquired with grant or subgrant funds;
- c. Income from the sale of commodities or items fabricated under a grant or subgrant;

- d. Revenues earned by a governmental or non-profit service provider under either a fixed-price or reimbursable award that are in excess of the actual costs incurred in providing the services; and
- e. Interest income earned on advances of funds.
- f. Program income does not include:
 - a. Rebates, credits, discounts, refunds, etc., or interest earned on any of them, which shall be credited in accordance with, cost principles and allowable costs;
 - b. Taxes, special assessments, levies, fines, and other such governmental revenues raised by Subrecipient or Lower Tier Subrecipient; or
 - c. Income from royalties and license fees for copyrighted material, patents, patent applications, trademarks, and inventions developed by Subrecipient or Lower Tier Subrecipient.

Program Year (PY): The twelve (12) month period beginning August 1 of the year and ending July 31 of the following year.

Statement of Work: The written description of tasks and/or deliverables set forth in Exhibit A of this Subaward.

Subaward: Also referred herein as an “Agreement”, is executed between County and Subrecipient. It sets forth the terms and conditions for the issuance and performance of the Statement of Work.

Subaward Document Deliverable(s): An Exhibit, Attachment, form, certificate, license, etc. that is provided by Subrecipient as part of the contracting process.

Subaward Sums: Monies that Subrecipient has been awarded in order to provide the Program Services (i.e., the total amount of grant funds that County will provide to Subrecipient and Subrecipient will use these funds in addition to Subrecipient’s own resource to pay for the total Program operating costs).

Subcontract (“Lower Tier Subaward”): The written and legally binding agreement that is executed between Subrecipient and a third-party vendor (where the vendor is a third-party to this Subaward). It sets forth the terms and conditions for the issuance and performance of any element of the Statement of Work. Such agreement shall be pre-approved by County prior to its execution between the parties.

Subcontractor (“Lower Tier Subrecipient”): A third-party vendor who is properly procured by Subrecipient for the purpose of completing the Work/providing Services in accordance with this Subaward.

Subrecipient: The sole proprietor, partnership, or corporation that has entered into this Subaward with County to perform or execute the work covered by Exhibit A (Statement of Work).

WDACS: The Los Angeles County Department of Workforce Development, Aging and Community Services.

EXHIBIT Q

(ACCOUNTING, ADMINISTRATION AND REPORTING REQUIREMENTS)

The purpose of this Exhibit Q is to establish required accounting, financial reporting, and internal control standards for Subrecipient.

The accounting, financial reporting and internal control standards described in this Exhibit Q are minimums. These standards are not intended to be all inclusive or replace acceptable existing procedures or preclude the use of more sophisticated methods. Instead, this Exhibit Q represents the minimum required procedures and controls that must be incorporated into Subrecipient's accounting and financial reporting systems. Subrecipient certifies that throughout the entirety of this Subaward, it shall maintain the required level of staffing as outlined in this Subaward. Therefore the internal control standards described herein are those that apply to Subrecipient's organization and Subrecipient shall comply with the intent of these standards and implement internal control systems in its performance of the Work hereunder. Subrecipient's subcontractors must also follow these standards unless otherwise stated in this Subaward.

A. ACCOUNTING AND FINANCIAL REPORTING

1.0 Basis of Accounting

Subrecipient shall maintain written financial and accounting procedures which incorporate Generally Accepted Accounting Principles and Subrecipient shall adhere to the requirements set forth therein. Subrecipient may elect to use either the accrual basis or cash basis of accounting during the Fiscal Year for recording financial transactions. Monthly invoices must be prepared on the same basis that is used for recording financial transactions. All financial reports required by County shall be prepared by Subrecipient using accrual information and shall be submitted as directed by County.

1.1 County recommends the use of the accrual basis for recording financial transactions.

Accrual Basis

Under the accrual basis for recording financial transactions, revenues are recorded in the accounting period in which they are earned (rather than when cash is received). Expenditures are recorded in the accounting period in which they are incurred (rather than when cash is disbursed).

Accruals

Accruals shall be recorded observing the following:

- Recorded accruals must be reversed in the subsequent accounting period.

1.2 If Subrecipient elects to use the cash basis for recording financial transactions during the Fiscal Year:

- Necessary adjustments must be made to record the accruals at the beginning and the end of the Fiscal Year.
- All computations, supporting records, and explanatory notes used in converting from the cash basis to the accrual basis must be retained.

1.3 Prepaid Expenses

Prepaid expenses (e.g., insurance, service agreements, lease agreements, etc.) should only be expensed during a given Subaward Fiscal Year to the extent goods and Services are received or are applicable to that Fiscal Year.

2.0 Accounting System

Subrecipient shall maintain a double entry accounting system (utilizing debits and credits) with a General Journal, a Cash Receipts Journal, a General Ledger, and a Cash Disbursements Journal. Subrecipient shall also maintain a Payroll Register. Postings to the General Ledger and Journals shall be made at least on a monthly basis. Subrecipient shall maintain a separate Cost Center(s), which clearly identifies funds received and expended on Services provided.

2.1 General Journal

A General Journal shall be maintained for recording adjusting entries, reversing entries, closing entries, and other financial transactions not normally recorded in the Cash Receipts Journal or Cash Disbursements Journal. Entries in the General Journal must be adequately documented, and entered in chronological order with sufficient explanatory notations.

<u>Example:</u>	DR	CR
Rent Expense	100	
Rent Payable		100

To record accrued rent to March 31, 20XX

2.2 Cash Receipts Journal

A Cash Receipts Journal shall be maintained for recording all cash receipts (e.g., County warrants, contributions, interest income, etc.). The Cash Receipts Journal shall contain the following column headings (minimum requirements):

- Date
- Receipt Number
- Cash Debit columns
- Income Credit columns for the following accounts:
 - County payments (one per funding source)
 - Contributions
 - Other Income (grants, sales of supplies/services, rental income, miscellaneous revenue, fees, etc.)
- Description (entries in the description column must specify the source of cash receipts)

2.3 Cash Disbursements Journal

A Cash Disbursements Journal shall be maintained for recording all cash disbursements (e.g., rent, utilities, maintenance, etc.)

The Cash Disbursements Journal shall contain the following column headings (minimum requirements):

- Date
- Check Number
- Cash (Credit) column
- Expense Account name
- Description

Note (1) Separate cost columns are required for salary expense and other recurring cost classifications for each Program.

Note (2) Entries in the description column must specify the nature of the cost and the corresponding cost classification if not included in the column heading.

Note (3) Checks should not be written to employees (other than payroll, mileage, travel, and petty cash custodian checks).

A Check Register may be substituted for the Cash Disbursements Journal, but this is not recommended. If used, the Check Register must contain the same cost classifications and description information required when a Cash Disbursements Journal is used.

Disbursements without supporting documentation will be disallowed upon audit. Cancelled checks and credit card statements (VISA, AMEX, department store, etc.) will not constitute acceptable support. See Sub-sections A.3.2 (Supporting Documentation) and B.2.4 (Credit Cards) for additional guidance on expense documentation requirements.

2.4 General Ledger

A General Ledger shall be maintained with accounts for all assets, liabilities, fund balances, expenditures, and revenues. Separate accounts must be maintained for the expenses and revenues of each of Subrecipient's programs (both County and non-County programs).

2.5 Chart of Accounts

A Chart of Accounts shall be maintained:

- County recommends that Subrecipient use the expense account titles on the monthly invoice submitted to County.
- If Subrecipient uses account titles which differ from the account titles on the monthly invoice, each account title must clearly identify the nature of the transaction(s) posted to the account.
- Subrecipient must consistently post transactions that are of a similar nature to the same account. For example, all expenses for travel shall be posted to the account titled "travel" or "travel expense" and not intermixed with other expense accounts.

2.6 Payroll Register

County recommends that a Payroll Register be maintained for recording all payroll transactions. The Register should contain the following:

- Name
- Position
- Social Security Number (at a minimum last four digits of the SSN)
- Salary (hourly wage)
- Payment Record including:
 - Accrual Period
 - Gross Pay
 - Itemized Payroll Deductions
 - Net Pay Amount
 - Check Number

If a Payroll Register is not used, the information discussed above must be recorded in the Cash Disbursements Journal.

Subrecipient will ensure compliance with all applicable Federal and State requirements for withholding payroll taxes (e.g., FIT, FICA, FUTA, SIT, SIU, etc.), reporting, filing (e.g., 941, DE-7, W-2, W-4 and 1099s), and all applicable tax deposits.

Subrecipient will ensure compliance with Internal Revenue Service guidelines in properly classifying employees and independent contractors.

2.7 Subrecipient Invoices

Subrecipient shall present an invoice to County each calendar month to report the prior month's financial activity of the Program. In addition, if advanced funding is involved, an invoice shall be presented at the beginning of the Fiscal Year. An invoice shall be provided to County as required in this Subaward. At the discretion of County, Subrecipient will be required to submit all invoices and supporting documentation through County's Contract Management System - Contractor's Gateway or any other electronic System to be determined by County.

3.0 Records

Adequate care shall be exercised to safeguard the accounting records and supporting documentation. Any destruction or theft of Subrecipient's accounting records or supporting documentation shall be immediately reported to County pursuant to the requirements outlined in Exhibit S (Purchase, Inventory and Disposal Requirements for Fixed and Non-Fixed Assets and Supplies), Section III.C (Loss, Destruction or Theft of Assets). Subrecipient shall report, to the local law enforcement agency having jurisdiction, any act(s), which may reasonably be thought to constitute a crime, and/or which appear to have resulted in the destruction, damage or alteration of any record subject to the provisions of this Exhibit Q. Subrecipient shall prepare a report and submit it to the local law enforcement agency within twenty-four hours after becoming aware of the acts which have resulted in the destruction, damage, or alteration of the record.

A copy of the resulting crime/incident report must be retained by Subrecipient for a period of time under which the underlying records were destroyed, or damaged were required to be retained plus an additional four (4) years, and shall be retained for a longer period in the case of unresolved litigation or audit.

To the extent that automated accounting records contain confidential information including but not limited to the names and addresses of individuals, Social Security Numbers, etc., the computer files containing this information must be adequately encrypted using the most current

encryption standards to prevent unauthorized access and use. If the allowability of expenditures cannot be determined because Subrecipient's records or documentation are non-existent or inadequate according to Generally Accepted Accounting Principles set forth in Title 2 Code of Federal Regulations Part 200.302, the expenditures will be questioned during an audit/monitoring review and may be disallowed at the sole discretion of County or its Authorized Representative.

3.1 Retention

All accounting records (e.g., journals, ledgers, etc.), financial records and supporting documentation (e.g., invoices, receipts, checks, etc.) must be retained pursuant to the authorized retention period outlined in Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement) of this Subaward.

3.2 Supporting Documentation

All revenues and expenditures shall be supported by original vouchers, invoices, receipts, or other documentation and shall be maintained in the manner described herein.

Invoices, receipts, canceled checks, and other documentation, including electronic documentation clearly establishing the nature of the expenditure and its relevance to for the Program shall be required to support an outlay of Subaward Sums. Unsupported disbursements will be disallowed upon audit. Subrecipient will be required to repay County for all dollar for dollar disallowed costs. **Photocopied (including scanned images) of invoices or receipts, any internally generated documents (e.g., vouchers, request for check forms, requisitions, canceled checks, etc.), and account statements do not constitute supporting documentation for purchases. To the extent that the source for electronic documentation is an original hardcopy document (e.g., PDF scans of original vendor invoices) Subrecipient shall retain the original source document for inspection by County. County at its sole discretion may accept photocopies of supporting documentation in preference to the original documents.**

Supporting documentation is required for various types of expenditures. Subrecipients shall provide acceptable supporting documentation for all expenditures, and, with regard to the following categories of expenditures, acceptable supporting documentation shall consist solely of the documentation listed for each expenditure type. Another form of documentation may be used, in lieu of the listed types of acceptable supporting documentation, provided Subrecipient obtains prior written approval of County to use a specific type of alternative documentation.

Payroll – timecards and attendance records signed by an employee and approved in writing by a supervisor; time distribution records by Program accounting for total work time on a daily basis for all employees; records showing actual expenditures for Social Security and unemployment insurance; State and Federal quarterly tax returns; Federal W-2 forms; and Federal W-4 forms. Personnel records shall also be maintained documenting employee pay rates. Personnel records shall also contain documentation confirming that educational and practical experience requirements of an employee's position have been met. Where licensure is a requirement of an employee's position, Subrecipient's personnel file shall contain proof that employees have the required licenses/certifications.

Consultant Services – Subawards (detailing the nature and scope of services to be provided), time and attendance records, billing rates, travel vouchers (detailing purpose, time and location of travel), purchase orders and invoices for supplies and invoices or other supporting documentation detailing the nature of services provided. Subrecipient shall also maintain copies of all completed federal form 1099s, establishing that all payments to all consultants were reported in a timely fashion to federal and State taxing agencies.

Travel – prior, written approval from County's Contract Manager for travel expenses related to providing Services under this Subaward; written travel policies of Subrecipient; travel expense vouchers showing location, date and time of travel, purpose of trip, benefit(s) to the Program and rates claimed; vehicle mileage logs showing dates, destination and headquarters, purpose of trip, and beginning and ending odometer readings and the resulting mileage. Vehicle mileage logs must clearly identify business versus non-business, or personal travel. For travel related to conferences, Subrecipient shall at a minimum retain conference literature, including but not necessarily limited to, agendas and handouts detailing the purpose of the conference, as part of Subrecipient's documentation of the propriety of the travel expenditure, and its applicability to the Work performed by Subrecipient hereunder.

Reimbursement rates for mileage shall not exceed applicable County guidelines.

Reimbursement for actual receipts or per diem rates for meal expenses shall not exceed the maximum County's reimbursement rate for employees.

Receipts shall be required for lodging for approved out-of-town travel. Maximum reimbursable lodging amount is County's maximum reimbursement rate for employees for a single occupancy hotel accommodation. Receipts shall also be required for airfare, car rentals, ground transportation and parking.

Operating Expenses (e.g., utilities, office supplies, equipment rentals, etc.) – bona fide subawards or lease agreements, if any, and invoices and receipts detailing the cost and items purchased will constitute the primary supporting documentation. For internal control purposes, Subrecipient shall maintain vouchers, purchase orders, requisitions, stock received reports, bills of lading, etc. Subrecipient shall also maintain documentation acknowledging the receipt of the specific goods and services for the expenditure (e.g., stock received reports, packing slip signed by the receiving employee, etc.). For internal control purposes, Subrecipient may also maintain vouchers, purchase orders, requisitions, etc.

Vehicle Expenses – A vehicle mileage log must be maintained which established the extent to which company owned vehicles are used for business, versus non-business purposes. For all business related trips, the log shall identify trip dates, the origin and destination of the trip along with beginning and ending odometer readings and the resulting mileage. For other vehicle expenses such as gasoline and maintenance, invoices/receipts must be maintained which reflect the vehicle license number, or vehicle identification number of the vehicle being serviced or fueled. The record maintenance requirements for company-owned vehicles, also applies to personal vehicles used for business purposes.

Outside Meals - receipts and/or invoices for all meals, a record of the nature and business purpose of each meal, and identification of the Client(s).

Loans from Employees/Related Parties – Loans to Subrecipient by employees and/or related parties shall be supported by a written loan agreement and records documenting that the lent funds were deposited into Subrecipient bank account. Subrecipient shall also maintain documentation showing that the loan proceeds were actually used for the Program. To the extent that the loan agreement provides for the payment of interest, the interest may not be an allowable expense under this Subaward. If the payment of interest is allowable, interest shall not be accrued at a rate which exceeds the most current available County Treasury Rate plus one percent.

3.3 Payments to Affiliated Organizations or Persons

Prior to making payments to affiliated organizations or persons (i.e., related party transactions), Subrecipient shall complete a disclosure statement identifying the nature of the affiliated, or related organization/ persons. Subrecipient shall not make payments to affiliated organizations or persons for Program expenses (e.g., salaries, services, rent, etc.) that exceed the lesser of actual cost or the reasonable cost for such expenses. A reasonable cost shall be the price that would be paid by one party to another when the parties are dealing at arm's length (fair market price).

Organizations or persons (related parties) related to Subrecipient or its members by blood, marriage, or through a legal organization (corporation, partnership, association, etc.) will be considered affiliated for purposes of this Subaward. County shall be solely responsible for determining affiliation unless otherwise allowed and approved by the State or Federal agencies.

Payments to affiliated organizations or persons will be disallowed upon audit to the extent the payments exceed the lower of actual costs or the reasonable costs (fair market value) for such items.

3.4 Filing

All relevant supporting documentation for reported Program expenditures and revenues shall be filed in a systematic and consistent manner. It is recommended that supporting documents be filed as follows:

- Checks – Numerically
- Invoices – Vendor name and date
- Vouchers – Numerically
- Receipts – Chronologically
- Timecards – Pay period and alphabetically

3.5 Referencing

Accounting transactions posted to **Subrecipient's** books shall be appropriately cross-referenced to supporting documentation. It is recommended that expenditure transactions on Subrecipient's books be cross-referenced to the supporting documentation as follows:

- Invoices – Vender name and date
- Checks – Number
- Vouchers –Number
- Revenue – Receipt number

Supporting documentation for non-payroll expenditures (i.e., operating expenditures) should be cross-referenced to the corresponding check issued for payment. If multiple invoices are paid with one (1) check, all related invoices should be bound together and cross-referenced to the check issued for payment.

4.0 Donations and Other Sources of Revenue

Restricted donations and other sources of revenue earmarked specifically for this Subaward must be utilized on allowable Subaward expenditures. Similarly, income from investments (e.g., interest or dividends), where the source of the amount invested is County program funds, shall be deemed

restricted revenue that must be utilized on allowable expenditures, or returned to County.

5.0 Audits

For routine audits and inspections, Subrecipient will make available County and any of its duly Authorized Representatives (including State authorities, Federal agencies (including, but not limited to, Comptroller of the United States, Office of the Inspector General and General Accounting Office) and/or any of their duly authorized representatives), upon request, during County's hours of operation, throughout the duration of this Subaward and for the authorized retention period outlined in Subparagraph 8.38 (Record Retention, Inspection and Audit Settlement) of this Subaward, all of its books and records, including but not limited to those which relate to its operation of each project or business activity which is funded in whole or part with governmental monies, whether or not such monies are received through County. All such books and records shall be maintained at a location within Los Angeles County.

In general, audits will normally be performed during normal business hours, Monday through Friday. However, County retains the right to inspect and conduct investigations of Subrecipient's fiscal operations and subaward compliance at any time, without prior notice to Subrecipient seven days a week, when County has information which it, in its sole discretion, deems justifies such an unannounced visit, inspection, audit or investigations.

B. INTERNAL CONTROLS

Internal controls safeguard Subrecipient's assets from misappropriations, misstatements or misuse. Subrecipient shall prepare necessary written procedures establishing internal controls for its staff. Subrecipient shall instruct all of its staff in these procedures and continuously monitor operations to ensure compliance with them.

1.0 Cash Receipts

1.1. Separate Bank Account or Cost Center

All Subaward Sums shall be maintained in a bank account. Subaward Sums shall be used exclusively for Services funded under this Subaward and shall not be commingled with any other monies of Subrecipient. If revenues from other sources are maintained in the same bank account, revenues for each source must be clearly identifiable on the accounting records through the use of cost centers or separate bank accounts.

1.2 Deposits

When collections are received by mail, two employees should be assigned to open the mail and list all collections received on a check remittance log.

All checks shall be restrictively endorsed upon receipt. Cash received shall be recorded on pre-numbered receipts and the receipts/check remittance log shall be reconciled to the amount being deposited.

Voided receipts shall be retained and the sequences of receipts issued/voided shall be periodically accounted for.

Cash receipts (i.e., cash and checks) totaling \$500 or more shall be deposited within one (1) day of receipt. Collections of less than \$500 may be held, and shall be secured and deposited weekly or when the total reaches \$500, whichever occurs first. If Subrecipient can establish that a larger limit is warranted, Subrecipient may request authorization from County to increase the limit to an amount greater than \$500.

Duplicate deposit slips shall be retained and filed chronologically, and shall contain sufficient reference information for comparison to the Cash Receipts Journal (and individual receipts, if applicable). Subrecipient shall retain photocopies of County warrants reflected on each deposit slip, or record the individual warrant numbers onto the deposit slip.

1.3 Separation of Duties

An employee who does not handle cash shall record all cash or check receipts in Subrecipient's accounting records.

1.4 Bank Reconciliations

Bank statements should be received and reconciled by someone with no cash handling, or check writing responsibilities.

Monthly bank reconciliations should be prepared within thirty (30) days of the bank statement date and reviewed by management for appropriateness and accuracy. The bank reconciliations should be signed and dated by both the preparer and the reviewer. Reconciling items should be resolved timely.

2.0 Disbursements

2.1 General

All disbursements (other than those made for petty cash, purchases) shall be made using Subrecipient's check, electronic funds transfer, or debit/credit card.

Blank check stock shall be secured and accounted for to preclude unauthorized use.

Checks shall not be payable to "cash" or signed in advance. Similarly, electronic debits to "cash" shall not be made. Checks written to employees for reimbursement of out-of-pocket costs must be supported by receipts and invoices.

A second signature is recommended on all checks over \$500, unless otherwise authorized by County in writing. In instances where the payee is also a signor on the check, the disbursement shall be reviewed and approved by a higher level employee, or Board member who shall also sign the check.

Voided checks shall be marked void with the signature block cut out. The voided checks must be filed with the cancelled checks.

Unclaimed or undelivered checks shall be cancelled periodically.

All supporting documentation shall be referenced to check numbers and marked "paid" or otherwise canceled to prevent duplicate payments or reuse.

Disbursements without adequate supporting documentation will be disallowed upon audit.

2.2 Approvals and Separation of Duties

Employees responsible for approving cash disbursements and/or signing checks shall examine all supporting documentation at the time the checks are approved and signed.

All disbursements, excluding petty cash purchases, shall be approved by persons independent of check preparation and bookkeeping activities.

2.3 Petty Cash

A petty cash fund up to \$500 may be maintained for payment of small incidental expenses incurred by Subrecipient (e.g., postage due, small purchases of office supply items, etc.). Subrecipient must obtain prior written approval from County's Contract Manager to establish a petty cash fund greater than \$500.

Petty cash disbursements must be supported by original invoices, store receipts or other external authenticating documents indicating the item purchased and the employee making the purchase. In the event that outside (external) supporting documentation is not obtainable for minor

disbursements (under \$10), such as parking meters, fee, etc., then some written documentation shall be maintained and approved by a supervisory employee not associated with the transaction. Petty cash disbursements should not be used as a substitute for normal purchasing and disbursement practices (i.e., payment by check).

The petty cash fund shall be maintained on an imprest basis. A check should be drawn to set up the fund and to make periodic reimbursements. Receipts, vouchers, etc., supporting each fund replenishment must be bound together, filed chronologically and cross referenced to the reimbursement check.

2.4 Credit Cards

The use of credit cards, both Subrecipient issued credit cards and an employee's personal credit card used on behalf of Subrecipient, should be limited to purchases where established purchasing and disbursement practices are not suitable.

Credit cards issued in Subrecipient's name must be adequately safeguarded and usage monitored to ensure that only authorized and necessary items are purchased.

Credit card purchases should be pre-approved by Subrecipient management to ensure that they are reasonable and necessary.

All credit card disbursements must be supported by original invoices, store receipts or other external authenticating documents indicating the item purchased the employee making the purchase, and the justification for the purchase. Credit card statements are not sufficient support for credit card purchases.

3.0 Timekeeping

3.1 Timecards

Timecards or time reports must be prepared for each pay period. Timecards or time reports must indicate total hours worked each day by program and total hours charged to each of Subrecipient's programs. Time estimates do not qualify as support for payroll expenditures and will be disallowed upon audit.

All timecards and time reports must be signed in ink by the employee and the employee's supervisor to certify the accuracy of the reported time. To the extent Subrecipient utilizes electronic timecards and time reports, Subrecipient must ensure that both the employee and supervisor certify time reported using electronic signatures. Where electronic timecards and

time reports are used, Subrecipient's reporting system must be able to electronically record the date/time the timecard was prepared/reviewed. Subrecipient's electronic time reporting system must also have sufficient controls to prevent unauthorized alteration/changes to electronic time records and reports.

3.2 Personnel and Payroll Records

Adequate security must be maintained over personnel and payroll records with access restricted to authorized individuals. Any automated personnel and payroll records which contain confidential information such as employee addresses, medical condition information, etc. should be adequately encrypted to prevent unauthorized access and use using the latest encryption standards. Subrecipient shall develop, maintain and adhere to its written personnel policies and procedures, wherein such procedures shall incorporate due process protection according to standard personnel practices.

Personnel and payroll records shall include, but are not limited to, the following:

- Employee's authorized salary rate
- Employee information sheet (e.g., employee contact information, emergency contact information, etc.)
- Resume and/or application
- Proof of qualifications for the position, if required (e.g., notarized copy or original diploma, license(s), etc.)
- Performance evaluations
- Criminal record clearance (if required)
- Citizenship status
- Benefit balances (e.g., sick time, vacation, etc.)
- Health Clearances (if required)

3.3 Benefit Balances

Employee benefit balances (e.g., sick time, vacation, personal time, etc.) should be maintained on at least a monthly basis. Benefit balances should be increased when benefit hours are earned and decreased as hours are used.

3.4 Limitations on Positions and Salaries

Subrecipient shall not pay any salaries which are higher than those authorized in this Subaward, or the Exhibits thereto, including this Exhibit Q.

When this Subaward is for **Workforce Innovation and Opportunity Act**

Program Services, Subrecipient shall adhere to Public Law 109-234, as provided by the Employment Development Department (EDD) through its issuance of a directive. Subrecipient shall obtain the most current version of EDD's directive on salary and bonus limitations on-line using the following Website address:
http://www.edd.ca.gov/jobs_and_training/Active_Directives.htm

For purposes of establishing a reasonable level of compensation for Subrecipient's employees, County may refer to the applicable Child Welfare League of America (CWLA) Salary Study.

If an employee serves in the same or dual capacities under more than one subaward or program, time charged to the subawards or programs taken as a whole may not exceed 100% of the employee's actual time worked.

Salaried employees shall be paid a salary that corresponds with the employee's work schedule. For example, a ½-time salaried employee performing the same or similar work should be paid proportionately less than a full-time salaried employee.

The salary expense of salaried employees working on more than one (1) subaward or program shall be allocated to each program based on the ratio of the number of hours worked on each program during the pay period to the total number hours worked during the pay period.

Subrecipient shall not make retroactive salary adjustments for any employee without prior written approval from County's Contract Manager.

3.5 Separation of Duties

Payroll checks should be distributed by persons not involved in timekeeping, preparing of payroll transaction, or reconciling bank accounts.

All employee hires, terminations or pay rate changes shall be approved in writing by authorized persons independent of payroll responsibilities.

- 4.0 Bonding – All officers, employees, and subrecipients who handle cash or have access to Subrecipient's funds (e.g., prepare checks, etc.) shall be bonded pursuant to Subparagraph 8.25 (Insurance Coverage) of this Subaward.

C. COST PRINCIPLES

1.0 Policy

It is the intent of County to provide funds to Subrecipient for the purpose of providing Services required by this Subaward. Subrecipient shall use these

Subaward Sums on actual expenses in an economical and efficient manner and shall ensure that these expenditures are reasonable, proper, and necessary costs of providing Services and are allowable in accordance with Title 2 Code of Federal Regulations Part 200 et al.

- 1.1 Subrecipient is responsible for obtaining Title 2 Code of Federal Regulations Part 200 et al., which is available on-line at http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

1.2 Limitations on Expenditures of Subaward Sums

Subrecipient shall comply with this Subaward and Title 2 Code of Federal Regulations Part 200 et al. Title 2 Code of Federal Regulations Part 200 et al. defines direct and indirect costs, discuss allowable cost allocation procedures and the development of Indirect Cost Rates, and specifically address the allowability of a variety of different costs.

If Subrecipient is unsure of the allowability of any particular type of cost or individual cost, Subrecipient should request advance written approval from

County's Program Manager prior to incurring the cost. Any conflict or inconsistency between or among the requirements outlined within this Subaward, Exhibit A (Statement of Work), this Exhibit Q, and Title 2 Code of Federal Regulations Part 200 et al., shall be resolved by giving precedence as follows:

- Title 2 Code of Federal Regulations Part 200 et al.
- Subaward
- Exhibit A (Statement of Work)
- Exhibit Q (Accounting, Administration and Reporting Requirements)

1.3 Expenses Incurred Outside the Subaward Period

Expenses charged against Subaward Sums may not be incurred prior to the effective date of this Subaward, or subsequent to this Subaward's expiration or termination date. Similarly, current period expenses related to events or activities that occurred prior to the effective date of the Subaward may not be allowable. For example, legal costs incurred while prosecuting or defending a lawsuit stemming from events which occurred during a period not covered by a valid Subaward between Subrecipient and County are not allowable. Expenses charged against Subaward Sums during any Fiscal Year period may not be incurred outside of that Fiscal Year period.

1.4 Budget Limitation

Expenses may not exceed the maximum limits shown on Exhibit W

(Budget).

1.5 Unspent Funds

Subrecipient shall return any unspent Subaward Sums to County unless otherwise permitted by this Subaward. In addition, County will determine the disposition of unspent Subaward Sums upon expiration or termination of this Subaward and at the end of each Fiscal Year period.

1.6 Necessary, Proper and Reasonable

Only those expenditures that are necessary, proper and reasonable to carry out the purposes and activities of the Program are allowable. These expenditures must clearly evidence a benefit(s) to the Program.

2.0 Allocable Expenses

When Subrecipient provides services in addition to the Services required under this Subaward, Subrecipient shall allocate expenditures that benefit programs or funding sources on an equitable basis.

In accordance with Title 2 Code of Federal Regulations Part 200 et al., Subrecipient shall define its allocable expenses as either direct or indirect costs (as defined in Sub-sections C.2.1 (Direct Costs) and C.2.2 (Indirect Costs) below) and shall allocate each cost using the basis that is most appropriate and feasible.

Subrecipient shall maintain documentation of allocated expenses (e.g., timecards, time summaries, square footage measurements, number of employees, etc.).

Under no circumstances shall allocated expenses be charged to an extent greater than 100% of actual expenses or the same expense be charged both directly and indirectly.

2.1 Direct Costs

Unless otherwise set forth in this Subaward, or required by the funding source(s), direct costs are defined as those costs that can be identified specifically with a particular final cost objective (i.e., a particular program, service, or other direct activity of Subrecipient's organization). Examples of direct costs include salaries and benefits of employees working on the Program, supplies and other items purchased specifically for the Program, costs related to space used by employees working on the Program, etc.

For all employees, other than those employed in general or administrative positions, the hours spent on each program (activity) should be recorded on the employees' timecards and the payroll expenses should be treated as

direct charges and distributed on the basis of recorded hours spent on each program.

Joint costs (i.e., costs that benefit more than one (1) program or activity) which can be distributed in reasonable proportion to the benefits received may also be direct costs.

Examples of bases for allocating joint costs as direct costs:

- Number of direct hours spent on each program
- Number of employees working in each program
- Square footage occupied by each program
- Other relevant and equitable methods of allocation

2.2 Indirect Costs

Indirect costs are those costs that have been incurred for common or joint purposes and cannot be readily identified with a particular final cost objective. Examples of indirect costs include salaries, employee benefits, supplies, and other costs related to general administration of Subrecipient's organization, and the salaries and expenses of executive officers, personnel administration, and accounting staff.

Examples of bases for allocating indirect costs:

- Total direct salaries and wages
- Total direct costs (excluding capital expenditures and other distorting items such as significant one-time expenses, or Lower Tier Subrecipient payments)

2.3 Acceptable Indirect Cost Allocation Methods

Title 2 Code of Federal Regulations Part 200 et al. describes the following allowable methods for allocating indirect costs:

- Simplified allocation method
- Direct allocation method
- Multiple allocation base method
- Negotiated indirect cost rate

Simplified Allocation Method

This method can be used when Subrecipient's major functions benefit from its indirect costs to approximately the same degree. Using this method, all allocable costs are considered indirect costs and an indirect

cost rate is determined by dividing total allowable indirect costs by an equitable distribution base.

Direct Allocation Method

This method can also be used when Subrecipient's major functions benefit from its indirect costs to approximately the same degree. Using this method, all costs except general administration and general expenses are treated as direct costs. Joint costs for rentals, facilities maintenance, telephone, and other similar expenses are prorated individually to each direct activity on a basis appropriate for that type of cost.

The remaining costs, which consist exclusively of general administration and general expenses are then allocated using the simplified allocation method previously discussed.

Multiple Base Allocation Method

This method can be used when Subrecipient's major functions benefit from its indirect costs in varying degrees. Using this method, indirect costs are grouped to permit allocation of each grouping on the basis of the benefits provided to the major functions. Each grouping is then allocated individually using the basis most appropriate for the grouping being allocated.

Negotiated Indirect Cost Rates

Subrecipient has the option of negotiating an indirect cost rate or rates for use on all its Federal programs. Subrecipient must submit a Cost Allocation Plan to the Federal agency providing the majority of funds to Subrecipient's organization. The approved indirect cost rate is then applied to the total approved direct cost base.

If Subrecipient has a Federally approved indirect cost rate, Subrecipient shall submit a copy of the approval letter to County's Compliance Manager upon request.

D. UNALLOWABLE COSTS

Title 2 Code of Federal Regulations Part 200.421 et seq. addresses the allowability of a variety of different costs. For all costs, there are certain restrictions and limitations; however, the following costs are not allowable under any circumstances:

- Bad debts
- Contingency provisions (exceptions may include self-insurance, pension funds and reserves for normal severance pay)
- Contributions and donations rendered
- Fines and penalties (e.g., including but not limited to NSF Check Fees, Traffic Citation Fees)
- Lobbying and fundraising activities
- Interest expense (unless expressly allowed by Federal guidelines)
- Losses on other awards
- Capital expenditures
- Advertising and public relations
- Entertainment/alcoholic beverages

Additionally, Subrecipient shall not use Subaward Sums to repay disallowed costs.

E. REPORTING FRAUD, ABUSE, MISCONDUCT OR NON-COMPLIANCE

1.0 Subrecipient shall report suspected fraud (including welfare fraud), abuse, waste, or misuse of public monies, and misconduct of County personnel to the Los Angeles County Fraud Hotline. Subrecipient shall also report suspected fraud, abuse, waste, or misuse of public monies, and misconduct committed by its employees, volunteers, and any Lower Tier Subrecipients when that fraud affects its Subaward with County. Reportable conditions of fraud include, but are not limited to:

- Requests for bribes/kickbacks/gratuities by County personnel
- Favoritism/nepotism in the awarding of County contracts, selection of vendors or hiring of Subrecipient's employees
- Theft or misuse of any funds, resources or equipment
- Falsification of records
- Violation of conflict of interest requirements; etc.

2.0 Failure to report the types of fraud/misconduct discussed above may be grounds for termination of this Subaward as solely determined by County.

3.0 Reports can be made anonymously to the Los Angeles County Department of Auditor-Controller, Office of County Investigations as follows:

Website: www.lacountyfraud.org
E-Mail Address: Hotline@auditor.lacounty.gov
Fraud Hotline: (800) 544-6861

Fax: (213) 633-0991
Mail: Office of County Investigations
500 W. Temple St., Room 515
Los Angeles, CA 90012

4.0 User Complaint Report

- 4.1 County's staff shall complete the User Complaint Report (UCR) to report Subrecipient's non-compliance with the requirements of this Subaward. Areas of Subrecipient's non-compliance include, but are not limited to, the following:
- Subrecipient's Project Manager or other staff not responding to messages/requests from County staff.
 - Subrecipient's Project Manager or other staff does not attend trainings/meetings required by County.
 - Subrecipient staff changes without prior notification to County.
 - Illegal or inappropriate behavior by Subrecipient's staff.
 - Subrecipient not submitting reports/documents or maintaining records as required.
 - Subrecipient not complying with the quality assurance requirements as specified in this Subaward.
- 4.2 County's Compliance Manager shall maintain the UCR, and it will be used to evaluate Subrecipient's performance of the requirements of this Subaward in addition to being used as the basis for placing Subrecipient on probation, suspending payment, suspending this Subaward, terminating this Subaward or any other remedies that are available in this Subaward. The UCR may also be used during County's solicitation process to evaluate Subrecipient's past performance on this Subaward in addition to being used when Subrecipient requests a reference from County for purposes of applying for other grants.

EXHIBIT R
(JOINT FUNDING REVENUE DISCLOSURE)

List all revenue provided to Subrecipient on an annual basis (including the Subaward Sums, foundation grants, donations, etc.). Use additional pages as necessary.

Revenue Source (Agency or Organization Name, Contact Name and Phone Number)	Funding Amount	Funding Period	
		Start Date	End Date
Click here to enter text.	Click here to enter amount.	Click here to enter a date.	Click here to enter a date.
Click here to enter text.	Click here to enter amount.	Click here to enter a date.	Click here to enter a date.
Click here to enter text.	Click here to enter amount.	Click here to enter a date.	Click here to enter a date.
Click here to enter text.	Click here to enter amount.	Click here to enter a date.	Click here to enter a date.
Click here to enter text.	Click here to enter amount.	Click here to enter a date.	Click here to enter a date.
Click here to enter text.	Click here to enter amount.	Click here to enter a date.	Click here to enter a date.
Click here to enter text.	Click here to enter amount.	Click here to enter a date.	Click here to enter a date.
PAGE TOTAL	Click here to enter amount.		
	Click here to enter amount.		
GRAND TOTAL OF ALL PAGES			

Click here to enter text.
Subrecipient's Name

Click here to enter text.
Subaward Number

Click here to enter text.
Name of Preparer (Print)

Click here to enter a date.
Date Prepared

EXHIBIT S (PURCHASE, INVENTORY AND DISPOSAL REQUIREMENTS FOR FIXED ASSETS, NON-FIXED ASSETS AND SUPPLIES)

I. GOVERNING REGULATIONS AND POLICIES

- A. If this Contract indicates that Contractor may purchase Fixed Assets, Non-Fixed Assets and Supplies using Contract Funds, pursuant to Paragraph 9.5 (Fixed Assets, Non-Fixed Assets and Supplies), Contractor shall adhere to all Federal, State and County purchasing and fiscal policies, procedures and requirements. Regardless of the source of the Contract Funds (i.e., Federal, State or County/local monies), Contractor shall adhere to these purchasing, inventory and disposal requirements for all Fixed Assets, Non-Fixed Assets and Supplies which are defined in Section II (Fixed Asset, Non-Fixed Asset and Supplies), herein. Such requirements include, but are not limited to, the following:
 - 1.0 The requirements of this Exhibit S
 - 2.0 Administrative requirements, procurement standards and cost principles outlined in the Federal Register, Volume 78, Number 248, Part III, Office of Management and Budget, (2 CFR 200 et al.).
 - 3.0 Additional requirements which may be communicated to Contractor through County memorandum, directives, Change Notices, Contract Amendments, etc.
- B. Throughout this Exhibit S, references will be made to Federal Register, Volume 78, Number 248, Part III, Office of Management and Budget, (2 CFR 200 et al.). These references shall mean that Contractor shall follow the Federal Register, Volume 78, Number 248, Part III, Office of Management and Budget, (2 CFR 200 et al.) that apply to Contractor based on the type of Program being funded through this Contract (e.g., Area Agency on Aging Programs, Workforce Investment Act Programs, etc.) and the type of entity that best describes Contractor's organization (e.g., non-profit, local government, educational institution, etc.).
- C. The requirements outlined in this Section I, herein, are applicable to Fixed Assets and Non-Fixed Assets. When specific requirements related to Supplies are not addressed, Contractor shall exercise the same due diligence and care required for the purchase, inventory

and disposal of Fixed Assets and Non-Fixed Assets when Contractor uses Contract Funds to purchase Supplies.

- D. In the event of any conflict or inconsistency between the requirements established in this Exhibit S and any of the governing Federal Register, Volume 78, Number 248, Part III, Office of Management and Budget, (2 CFR 200 et al.), the conflict shall be resolved by giving precedence to the governing Federal Register, Volume 78, Number 248, Part III, Office of Management and Budget, (2 CFR 200 et al.).

II. FIXED ASSET, NON-FIXED ASSET AND SUPPLIES

A. Fixed Asset

1.0 A Fixed Asset is an item which has all of the following attributes:

1.1 Includes, but is not limited to, property, plant, equipment, land, buildings, additions, attachments, improvements, betterments, machinery, vehicles, furniture, tools, intangibles, mineral resources, etc. which are not consumed/sold during the normal course of Contractor's business under this Contract.

1.2 Has a unit acquisition cost that is \$5,000 or more.

1.2.1 For purposes of determining how to classify items as either a Fixed Asset or a Non-Fixed Asset, a unit is defined as either one (1) item or a group of individual items which are purchased together as a bundle in order to be used together. As an example, a desktop computer system which includes a tower along with other peripheral items such as a monitor and/or printer or a laptop system which also includes additional peripherals are considered one (1) unit when each of these systems are purchased as a unit.

1.2.2 The unit acquisition cost is the net invoice price of a unit, which includes shipping costs and sales taxes, any applicable credits and discounts as well as the cost of any modifications, attachments, accessories, or auxiliary apparatus which are necessary to

make this unit usable for the purpose for which it is acquired.

1.2.3 To determine the unit acquisition cost of an asset, consider the following example: four (4) identical pieces of equipment, which cost \$3,000 each, totaling \$12,000 would not meet the \$5,000 unit acquisition cost threshold.

1.3 Has a normal useful life of at least one (1) year.

1.4 Is used to conduct Contractor's business in the performance of the Work required under this Contract. Such asset must provide a direct benefit to the Program and Services.

1.5 Is either purchased with Contract Funds and/or was acquired by Contractor under a Predecessor Agreement(s) for the same/similar purpose as this Contract. Such purchases must be allowable and allocable under the requirements of this Contract. For purposes of this Contract, a Predecessor Agreement(s) shall mean a contract between County and Contractor that was executed prior to this Contract for the same/similar Program Services as this Contract, and such contract has expired or terminated.

1.6 Must be ordered or purchased prior to the last three months of the Contract Term, unless the acquisition is pre-approved by County.

B. Non-Fixed Asset

1.0 A Non-Fixed Asset is an item which has all of the following attributes:

1.1 Does not meet all of the requirements for a Fixed Asset, which are outlined above in Sub-section II.A (Fixed Asset), herein, and includes, but is not limited to, computers, laptops, copier machines, printers, etc.

1.2 Has a unit acquisition cost that is less than \$5,000 but is at least \$500, or has a unit acquisition cost that is less than \$5,000 but is at least \$300 if it was purchased under a Predecessor Agreement(s).

- 1.2.1 For purposes of determining how to classify items as either a Fixed Asset or a Non-Fixed Asset, a unit is defined as either one (1) item or a group of individual items which are purchased together as a bundle in order to be used together. As an example, a desktop computer system which includes a tower along with other peripheral items such as a monitor and/or printer or a laptop system which also includes additional peripherals are considered one (1) unit when each of these systems are purchased as a unit.
- 1.2.2 The unit acquisition cost is the net invoice price of a unit, which includes shipping costs and sales taxes, any applicable credits and discounts as well as the cost of any modifications, attachments, accessories, or auxiliary apparatus which are necessary to make this unit usable for the purpose for which it is acquired.
- 1.2.3 To determine the unit acquisition cost of an asset, consider the following example: four (4) identical pieces of equipment, which cost \$3,000 each, totaling \$12,000 would meet the requirements for the unit acquisition cost described herein.
- 1.3 Has a normal useful life of over one (1) year.
- 1.4 Is used to conduct Contractor's business in the performance of the Work required under this Contract. Such asset must provide a direct benefit to the Program and Services.
- 1.5 Is either purchased with Contract Funds and/or was acquired by Contractor under a Predecessor Agreement(s). Such purchases must be allowable and allocable under the requirements of this Contract.

C. Usage of the Term "Assets"

- 1.0 Throughout the entirety of this Exhibit S, references will be made to items that are classified as either Fixed Assets or Non-Fixed Assets. The use of these classifications is based on whether the item meets the requirements outlined in Sub-

section II.A (Fixed Asset), herein, and Sub-section II.B (Non-Fixed Asset), herein. In some instances where a specific type of asset is being discussed or addressed, the appropriate term will be used to identify that asset as either a Fixed Asset or a Non-Fixed Asset. Otherwise, any usage of the specific term “Assets” shall mean that the requirements apply to both Fixed Assets and Non-Fixed Assets, collectively (hereafter “Assets”).

D. Types of Assets

- 1.0 Additions and Attachments are products that typically involve physical extensions of existing units that are necessary to make these units usable for the purposes for which they are acquired, but do not involve renovations.
 - 1.1 An Addition or an Attachment is considered a Fixed Asset when its cost, combined with the cost of the unit it is attached to, along with its other characteristics, meet the definition of a Fixed Asset as set forth herein.
 - 1.2 Examples of Additions and Attachments include new rooms, new roof, new heating, ventilation and air conditioning (HVAC) system added to an existing building, etc.
- 2.0 Improvements and Betterments are products that typically do not increase the physical size of the unit.
 - 2.1 Requirements for Area Agency on Aging (AAA) Programs, Adult Protective Services Program, Dispute Resolution Program and Workforce Investment Act (WIA) Programs
 - 2.1.1 Improvements and Betterments enhance the condition of a unit (e.g., extend life, increase service capacity, lower operating costs, etc.).
 - 2.1.2 An Improvement or a Betterment is considered a Fixed Asset when the final cost of the unit being improved or bettered along with its other characteristics, meet the definition of a Fixed Asset as set forth in Sub-section II.A (Fixed Asset), herein.
 - 2.1.3 Examples of Fixed Assets that might be improved or bettered include roads, bridges,

curbs and gutters, tunnels, parking lots, streets and sidewalks, drainage and lighting systems, etc.

2.2 Requirements Exclusive to Community Services American Indian Block Grant Program

2.2.1 For purposes of the Community Services American Indian Block Grant Program, Improvements and Betterments shall only include low-cost residential weatherization or other energy-related home repairs.

2.2.2 Such Improvement or Betterment is considered a Fixed Asset when the final cost of the unit being improved or bettered along with its other characteristics, meet the definition of a Fixed Asset as set forth in Sub-section II.A (Fixed Asset), herein.

2.2.3 The purchase or improvement of land or the purchase, construction or permanent improvement of any building or other facility except as provided in this Sub-section II.D.2.2, herein, is strictly prohibited.

3.0 Intangible Property is an item which lacks physical substance but gives valuable rights to the owner; and, such item can be either a Fixed Asset or a Non-Fixed Asset.

3.1 The acquisition cost of the Intangible Property includes all amounts incurred to acquire and to ready the Asset for its intended use. Typical Intangible Property costs include the purchase price, legal fees, and other costs incurred to obtain title to the Asset.

3.2 Examples of Intangible Property include patents, copyrights, leases, computer software, etc.

4.0 Hardware consists of tangible equipment including computers, printers, terminals, etc.; and, such item can be either a Fixed Asset or a Non-Fixed Asset.

E. Supplies

1.0 Supplies are items which have all of the following attributes:

- 1.1 Are goods, materials or other items which are consumed during the normal course of business and may include, but are not limited to, paper, pencils, printer cartridges, file folders, etc. (i.e., Supplies are items which are used in such a way that once used, they cannot be re-used or recovered afterward).
- 1.2 Have a unit acquisition cost that is less than \$500, or less than \$300 if purchased under a Predecessor Agreement(s).
- 1.3 Are necessary for Contractor to effectively and efficiently carry out the objectives, tasks and activities of the Program and provide Services hereunder.
- 1.4 Are either purchased with Contract Funds and/or were acquired by Contractor under a Predecessor Agreement(s).

III. GENERAL REQUIREMENTS FOR ASSETS AND SUPPLIES

- A. The following requirements are applicable to both Assets and Supplies. In some areas, the requirements are only applicable to Assets; however, Contractor shall exercise due diligence in the use and maintenance of Supplies when specific requirements related to Supplies are not addressed.
- B. Management of Assets and Supplies
 - 1.0 To prevent misuse, destruction or theft, Contractor shall exercise due diligence in its care, use, maintenance, protection and preservation of all Assets and Supplies.
 - 2.0 During the entire term of this Contract, Contractor is responsible for the replacement or repair of Assets until Contractor has complied with all written instructions from County regarding the final disposition of the Assets as detailed in Section X (Disposal Requirements for Assets and Supplies) herein.
 - 3.0 Contractor shall not use Assets or Supplies for personal gain or to usurp the competitive advantage of a privately-owned business entity.
 - 4.0 Contractor shall use Assets and Supplies for the purpose for which they are intended under this Contract. When no longer needed for that purpose, Contractor shall treat them as

prescribed in Section X (Disposal Requirements for Assets and Supplies), herein.

- 5.0 Contractor may share use of Assets or allow use by other programs upon prior written approval of County. As a condition of approval, County may require payment under this Contract for that use.

C. Loss, Destruction or Theft of Assets

- 1.0 Contractor shall promptly investigate, fully document and report the loss, destruction or theft of Assets. Contractor shall report such loss, destruction or theft as follows:
 - 1.1 Contractor shall notify the local law enforcement agency with jurisdiction over the location where the crime occurred by telephone (and confirmed in writing by filing a police report) within twenty-four (24) hours of occurrence or discovery of such incident.
 - 1.2 Contractor shall notify County's Project Director by telephone (and confirmed in writing) or by e-mail within five (5) business days of occurrence or discovery of such crime. Contractor shall prepare an Incident Report, as described below, which shall be provided to County's Project Director.
 - 1.3 Incident Report
 - 1.3.1 At a minimum, Contractor's Incident Report of such loss shall contain the following elements:
 - 1.3.1.1 Identification of the Asset(s)
 - 1.3.1.2 Recorded value(s) of each Asset
 - 1.3.1.3 Facts relating to the crime
 - 1.3.1.4 A copy of the police report, where appropriate
 - 1.3.2 Contractor shall retain the Incident Report pursuant to the record retention requirements outlined in Paragraph 8.38 (Record Retention and Inspection/Audit Settlement) of this Contract.

- 2.0 Contractor agrees to indemnify County for any loss resulting from the use of any Assets.

IV. DEPRECIATION, USE ALLOWANCE AND CAPITALIZATION POLICY FOR ASSETS

- A. Any Asset purchased with the Federal portion of Contract Funds, if any, and/or with Contractor's required matching contributions may not be depreciated or capitalized.
- B. Any Asset purchased with the non-Federal portion of Contract Funds, if any, may be capitalized and/or depreciated over the estimated useful lives of these Assets pursuant to Contractor's acquisition policies.
- C. Unless otherwise approved by County, compensation for the use of buildings and other capital improvements may be made through depreciation, or a use allowance:
 - 1.0 The computation of depreciation/use allowance is based on the acquisition cost of the asset(s).
 - 2.0 The computation should exclude the cost of land, buildings, and equipment donated by federal, State or County governments and the cost of buildings and land contributed by Contractor to satisfy funding matching requirements.
 - 3.0 For depreciation, an appropriate useful life must be established for the asset(s) which considers factors such as the nature of the asset used, susceptibility to technological obsolescence, etc.
 - 4.0 A use allowance is computed as an annual rate that may not exceed an annual rate of two-percent (2%) of the acquisition cost if the asset is a building or improvement. A use allowance in excess of the ceiling percentage must be justified by Contractor.

V. TITLE TO ASSETS

- A. Assets Purchased with Contract Funds
 - 1.0 Unless otherwise required by Federal or State laws or regulations, or as agreed upon in writing by the parties, Assets remain the property of County until such time as County approves the final disposition of the Assets (i.e., County

retains title to all Assets used in the performance of this Contract).

B. Assets Purchased Under a Predecessor Agreement(s)

- 1.0 Unless otherwise required by Federal or State laws or regulations or as agreed upon in writing by the parties, Assets purchased under a Predecessor Agreement(s) remain the property of County until such time as County approves the final disposition of these Assets (i.e., County retains title to all Assets purchased under a Predecessor Agreement(s)).

C. Title to Vehicles

- 1.0 County retains title to vehicles that are purchased with Contract Funds. County also retains title to vehicles purchased with funds from a Predecessor Agreement(s), when such vehicles are currently in the possession of Contractor.
- 2.0 Vehicles shall be registered only in the name of Contractor. Such registration applies to all vehicles which are purchased with Contract Funds as well as those purchased under a Predecessor Agreement(s), when such vehicles are currently in the possession of Contractor.

D. Throughout the entire term of this Contract, Contractor shall adhere to the following:

- 1.0 Contractor shall provide current, ongoing and adequate insurance covering all vehicle drivers pursuant to Paragraph 8.24 (General Provisions for all Insurance Coverage) and Paragraph 8.25 (Insurance Coverage) of this Contract.
- 2.0 Contractor shall ensure that each vehicle driver has a current, valid California driver's license.

VI. APPROVAL REQUIREMENTS FOR PURCHASING ASSETS

A. Necessary Prior Approval to Purchase Fixed Assets for Adult Protective Services Program, Community Services American Indian Block Grant Program and Dispute Resolution Program

- 1.0 Prior to purchasing or acquiring Fixed Assets, Contractor must receive written approval from County authorizing the purchase when Contractor will use more than \$5,000 of Contract Funds to purchase the Fixed Asset.

- 2.0 Prior approval is not required for the purchase of Non-Fixed Assets and Supplies. However, Contractor shall adhere to all of the other procurement policies governing the purchase of Non-Fixed Assets and Supplies as outlined herein and in accordance with the Federal Register, Volume 78, Number 248, Part III, Office of Management and Budget, (2 CFR 200 et al.).
 - 3.0 Contractor shall submit a written request to County's Project Director to obtain authorization to purchase such Fixed Asset. Contractor shall submit this written request at least thirty (30) days in advance of the date/time that Contractor intends to purchase the Asset.
 - 4.0 Upon receiving written approval from County, Contractor shall ensure that all Fixed Asset purchases are also approved in writing by Contractor's Board of Directors or its Authorized Representative, before the Fixed Asset is purchased.
 - 5.0 County's approval of Contractor's Budget (as defined in Exhibit P (Definitions)) does not constitute approval for Contractor to purchase the Fixed Asset. Once all written approvals have been received, Contractor shall then include the Fixed Asset in its Budget and proceed with the purchase.
 - 6.0 Examples
 - 6.1 If Contractor intends to purchase an item, which costs \$5,700 and otherwise meets the definition of a Fixed Asset, and Contractor will use \$2,500 of Contract Funds to purchase this Fixed Asset, prior approval is not required.
 - 6.2 If Contractor intends to purchase an item, which costs \$5,700 and otherwise meets the definition of a Fixed Asset, and Contractor will use \$5,700 of Contract Funds to purchase this Fixed Asset, prior written approval is required.
- B. Necessary Prior Approval to Purchase Assets for Area Agency on Aging (AAA) Programs
- 1.0 Prior to purchasing or acquiring any Assets, Contractor must receive written approval from County authorizing the purchase when Contractor will use more than \$500 of Contract Funds to purchase the Asset.

- 2.0 Prior approval is not required for the purchase of Supplies. However, Contractor shall adhere to all of the other procurement policies governing the purchase of Supplies as outlined herein and in accordance with the Federal Register, Volume 78, Number 248, Part III, Office of Management and Budget, (2 CFR 200 et al.).
- 3.0 Contractor shall submit a written request to County's Project Director to request authorization to purchase such Asset. Contractor shall submit this written request at least thirty (30) days in advance of the date/time that Contractor intends to purchase the Asset.
- 4.0 Upon receiving written approval from County, Contractor shall ensure that all Asset purchases are also approved in writing by Contractor's Board of Directors or its Authorized Representative, before the Asset is purchased.
- 5.0 County's approval of Contractor's Budget does not constitute approval for Contractor to purchase the Asset. Once all written approvals have been received, Contractor shall then include the Asset in its Budget and proceed with the purchase.
- 6.0 Examples
 - 6.1 If Contractor intends to purchase an item which costs \$475 and Contractor will use \$475 of Contract Funds to purchase this item, prior approval is not required.
 - 6.2 If Contractor intends to purchase an item, which costs \$550 and Contractor will use \$500 of Contract Funds to purchase this item, prior written approval is required.

C. Necessary Prior Approval to Purchase Fixed Assets for Workforce Investment Act (WIA) Programs

- 1.0 Prior to purchasing or acquiring Fixed Assets, Contractor must receive written approval from County authorizing the purchase when Contractor will use any portion of Contract Funds to purchase the Fixed Asset.
- 2.0 Prior approval is not required for the purchase of Non-Fixed Assets and Supplies. However, Contractor shall adhere to all of the other procurement policies governing the purchase of Non-Fixed Assets and Supplies as outlined herein and in

accordance with the Federal Register, Volume 78, Number 248, Part III, Office of Management and Budget, (2 CFR 200 et al.).

- 3.0 Contractor shall submit a written request to County's Project Director following the instructions provided in WIA Directive number D-DWA-04-024/D-YTH-04-08 (dated August 24, 2004). Copies of this Directive are available on the Work Source California website, which may be accessed using the following address: http://www.worksourcecalifornia.com/information/wib_LAcounty.htm (there is an underscore between *wib* and *LAcounty*).
- 4.0 Upon receiving written approval from County, Contractor shall ensure that all Fixed Asset purchases are also approved in writing by Contractor's Board of Directors or its Authorized Representative, before the Fixed Asset is purchased.
- 5.0 County's approval of Contractor's Budget does not constitute approval for Contractor to purchase the Fixed Asset. Once all written approvals have been received, Contractor shall then include the Fixed Asset in its Budget and proceed with the purchase.
- 6.0 Examples
 - 6.1 If Contractor intends to purchase an item which costs \$4,500 and Contractor will use \$4,500 of Contract Funds to purchase this item, prior approval is not required.
 - 6.2 If Contractor intends to purchase an item which costs \$5,100 and Contractor will use \$4,500 of Contract Funds to purchase this item, prior written approval is required.

VII. APPROVAL REQUIREMENTS FOR DISPOSING OF ASSETS

- A. Necessary Prior Approval to Dispose of Assets for Adult Protective Services Program, Community Services American Indian Block Grant Program, Dispute Resolution Program and WIA Programs
 - 1.0 Contractor shall obtain prior written approval from County in order to sell, trade-in, discard or transfer to another entity any Asset with a unit acquisition cost of at least \$500, or \$300 if purchased under a Predecessor Agreement(s) (regardless of

the residual or current fair market value of the Asset). Contractor shall not dispose of any Asset unless/until Contractor receives such written approval.

- 2.0 Contractor shall contact County's Project Director to obtain specific instructions on how to request prior approval from County, and Contractor shall adhere to all County requirements for the disposal of these Assets.
- 3.0 Prior to the sale, transfer, donation or other disposal of any Asset consisting of electronic equipment with digital memory or storage capability, Contractor shall send a written notification to County's Project Director attesting that the device's memory and/or any information stored in the memory is permanently removed, erased and cleared of all Contract, Program and Client related records and information (or any information that would compromise Contractor's ability to adhere to the confidentiality requirements of this Contract, including Paragraph 7.5 (Confidentiality), Exhibit G1 (Contractor Acknowledgement and Confidentiality Agreement), and Exhibit N (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) – if/when Exhibit N (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) is included with this Contract.
- 4.0 Upon receipt of written approval from County, Contractor shall follow all guidelines to dispose of Assets and Supplies pursuant to Section X (Disposal Requirements for Assets and Supplies), herein.

B. Necessary Prior Approval to Dispose of Assets for AAA Programs

- 1.0 Contractor shall obtain prior written approval from County (and State) in order to sell, trade-in, discard or transfer to another entity any Asset with a unit acquisition cost of at least \$500, or \$300 if purchased under a Predecessor Agreement(s) (regardless of the residual or current fair market value of the Asset). Contractor shall not dispose of any Asset unless/until Contractor receives such written approval.
- 2.0 Contractor shall contact County's Project Director to obtain specific instructions on how to request prior approval, and Contractor shall adhere to all County and State requirements for the disposal of these Assets.

- 3.0 Prior to the sale, trade-in, discard or transfer of any Asset consisting of electronic equipment with digital memory or storage capability, Contractor shall send a written notification to County's Project Director attesting that the device's memory and/or any information stored in the memory is permanently removed, erased and cleared of all Contract, Program and Client related records and information (or any information that would compromise Contractor's ability to adhere to the confidentiality requirements of this Contract, including Paragraph 7.5 (Confidentiality), Exhibit G1 (Contractor Acknowledgement and Confidentiality Agreement), and Exhibit N (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) – if/when Exhibit N (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) is included with this Contract.
- 4.0 Upon receipt of written approval from County, Contractor shall follow all guidelines to dispose of Assets and Supplies pursuant to Section X (Disposal Requirements for Assets and Supplies), herein.

C. Necessary Prior Approval to Use Program Income from Sales Revenue

- 1.0 Contractor shall obtain prior written approval from County in order to use Program Income derived from revenue earned after the sale of Assets pursuant to Exhibit Q (Accounting, Administration and Reporting Requirements).
- 2.0 Contractor shall contact County's Project Manager to obtain specific instructions on how to request prior approval from County, and Contractor shall adhere to all County requirements for the use of such Program Income.

VIII. PURCHASE REQUIREMENTS FOR ASSETS

- A. The following requirements are applicable only to Assets. However, Contractor shall exercise due diligence in the purchase of Supplies when specific requirements related to Supplies are not addressed.
- B. Cost Requirements
 - 1.0 Contractor shall perform a cost or price analysis prior to the purchase of an Asset.

- 1.1 A cost analysis includes the review and evaluation of each element of cost to determine its reasonableness, allocability and allowability. Contractor shall ensure that the cost of the Assets are allowable and allocable pursuant to the cost principles outlined in the Federal Register, Volume 78, Number 248, Part III, Office of Management and Budget, (2 CFR 200 et al.).
- 1.2 A price analysis includes the comparison of price quotations submitted, market prices, and similar indicia, together with discounts.
- 2.0 Contractor shall conduct an analysis of lease and purchase alternatives to determine the most economical and practical procurement method.
- 3.0 Contractor shall avoid purchasing unnecessary or duplicative items. Contractor shall ensure that the costs for Assets are reasonable and proper and that the Assets are necessary to carry out the purposes and activities of the Program (or are necessary and reasonable for the proper and efficient accomplishment of Program objectives).
- 4.0 Contractor shall ensure that all costs associated with the purchase of an Asset are included in the Asset's true actual cost (i.e., the true actual cost of the Asset should include all amounts to be incurred to acquire and to ready the Asset for its intended use). The true actual cost shall also include any deductions for discounts, refunds, adjustments, rebates and allowances received by Contractor as well as any charges for taxes, delivery/shipping, etc.
- 5.0 Contractor shall only charge the true actual cost of the Asset to this Contract. If the true actual cost of the Asset is allocable to multiple funding sources, the share of costs charged to this Contract shall not be charged by Contractor to another grant, program or contract.

C. Competitive Procurement

- 1.0 Contractor shall conduct all procurements for Assets in a manner that provides full, open and free competition consistent with the procurement standards outlined in the Federal Register, Volume 78, Number 248, Part III, Office of Management and Budget, (2 CFR 200 et al.).

- 2.0 Contractor shall ensure that it obtains and thoroughly evaluates a minimum of three (3) written competitive bids from the best known sources prior to purchasing the Asset.
- 3.0 Contractor shall avoid organizational conflicts of interest and non-competitive practices among vendors that may restrict or eliminate competition or otherwise restrain trade.
- 4.0 Contractor or Contractor's agent who develops or drafts specifications, requirements, statements of work, invitation for bids and/or request for proposals for the procurement of Assets shall be excluded from competing for such procurements.
- 5.0 Contractor shall select the most responsible vendor whose bid is most responsive to the requirements outlined in the solicitation.
- 6.0 Sole Source Procurement (Non-competitive Procurement)
 - 6.1 Sole source procurement is the solicitation of a proposal from only one (1) source or after solicitation from a number of sources, competition is determined inadequate.
 - 6.2 Sole source procurement may only be used when the procurement is not feasible under the small purchase procedures, sealed bids or competitive proposals (as defined in the Federal Register, Volume 78, Number 248, Part III, Office of Management and Budget, (2 CFR 200 et al.) and at least one (1) of the following applies:
 - 6.2.1 The Asset is available only from a single source/vendor.
 - 6.2.2 Public exigency or emergency for the Asset will not permit a delay resulting from a competitive solicitation.
 - 6.2.3 County provides written authorization for non-competitive procurement of the Asset.
 - 6.2.4 After solicitation of a number of sources, and with written approval from County, competition is determined inadequate.

- 6.3 The sole source procurement must be documented, and such documentation shall include a full justification providing an explanation as to why this non-competitive procurement method was used.
- 7.0 Contractor shall ensure that solicitations for Assets provide:
 - 7.1 Clear and accurate description of the technical requirements for the Asset to be procured and such description shall not contain features which unduly restrict competition.
 - 7.2 Requirements which the bidder must fulfill and all other factors to be used in evaluating bids.
 - 7.3 Description of the functions to be performed (i.e., performance required), including the minimum acceptable standards.
 - 7.4 Description of specific features of “brand name” products or an equivalent that bidders are required to meet when such items are included in the solicitation.
 - 7.5 Acceptance, to the extent possible and as economically feasible, of Assets dimensioned in the metric system of measurement.
 - 7.6 Preference, to the extent possible and as economically feasible, for Assets that conserve natural resources, protect the environment and are energy efficient.
- 8.0 Contractor shall make an effort to utilize small businesses, minority-owned firms and women’s business enterprises whenever possible, pursuant to the procurement procedures outlined in the applicable Federal Register, Volume 78, Number 248, Part III, Office of Management and Budget, (2 CFR 200 et al.).

D. Procurement Instrument

- 1.0 Contractor shall determine the type of procuring or contracting instrument to be used for the purchase. Such instrument may include purchase orders, fixed price contracts, cost reimbursable contracts, etc.

- 2.0 Contractor shall determine and use the most appropriate instrument for the particular procurement and such instrument shall promote the best interests of the Program.
- 3.0 “Cost-plus-a-percentage-of-cost” or “percentage of construction cost” methods of contracting shall not be used.

E. Documentation Requirements

- 1.0 Contractor shall maintain proper forms of documentation to demonstrate the significant history of the procurement for all Assets (e.g., requisitions, purchase orders, receipts, price quotes/vendor bids, etc.).
- 2.0 Contractor shall have written internal procurement procedures in place (including processes for vendor selection, requisition approval, etc.).
- 3.0 Contractor shall maintain documentation of its cost/price analysis and any sole source procurement.
- 4.0 Contractor’s Budget
 - 4.1 Contractor shall report Assets purchased with Contract Funds on the Budget. Prior to reporting Assets on the Budget, Contractor shall receive written approval from County in order to purchase Assets as detailed in Section VI (Approval Requirements for Purchasing Assets), herein.
 - 4.2 Assets purchased by Contractor shall match the Assets reported on the Budget.
 - 4.3 The total cost of Assets purchased shall not exceed the amounts reported on the Budget. Contractor shall be liable for the cost of any Asset when that cost exceeds the amount approved by County for the purchase of the Asset.
 - 4.4 In the event that the actual purchase price is less than the cost reported on the Budget, Contractor shall submit a Budget Modification to County’s Project Director before the end of the Fiscal Year pursuant to Paragraph 9.9 (Modifications) of this Contract.

5.0 Additional Documentation Requirements for AAA Programs

5.1 In addition to the documentation requirements outlined above, the following requirements shall also apply to AAA Programs:

5.1.1 Contractor shall submit supporting documents including, but not limited to, receipts, purchase orders, invoices, etc. for all Assets.

5.1.2 The supporting documents shall be submitted to County's Project Director at the same time that Contractor submits its invoice to County for the Asset.

F. Assets must be physically received prior to the end of the Fiscal Year during which they are purchased.

G. Assets purchased either wholly with the Federal share of Contract Funds and/or with any required Contractor matching contribution shall be charged directly to the Program.

IX. INVENTORY REQUIREMENTS FOR ASSETS

A. The following requirements are applicable only to Assets. However, Contractor shall exercise reasonable care in the maintenance and tracking of Supplies.

B. Asset Bar Code Identification Tags

1.0 Contractor shall ensure that all Assets are properly identified with Asset Bar Code Identification tags. These tags include a unique identifier which is used to track the Asset until its final disposition.

2.0 Contractor shall notify County's Project Director to obtain the Asset Bar Code Identification tags and County is responsible for ensuring that all Assets are tagged. As such, Contractor shall provide County full access to these Assets so that County can affix the tags on each Asset.

C. Inventory Tracking

1.0 Every two (2) years, or more frequently as requested by County, Contractor shall conduct a physical inventory of all Assets and shall document its activities. Contractor shall

reconcile the results with Contractor's Asset accounting and inventory records.

- 2.0 Contractor shall investigate any difference(s) between quantities determined by the physical inspection and those shown in the accounting and inventory records to determine the causes of the difference(s).
- 3.0 As part of its inventory tracking, Contractor shall verify the existence, current utilization and continued need for Assets.
- 4.0 Contractor shall inventory these Assets until the final disposition procedures have been completed for the Assets. Upon final disposition of the Assets, Contractor shall remove these Assets from its accounting and inventory records. Contractor shall continue to maintain the disposition records in accordance with the record retention requirements outlined in Paragraph 8.38 (Record Retention and Inspection/Audit Settlement) of this Contract.

D. Inventory Reporting Using the Inventory Control Form and/or Inventory Letter

- 1.0 Annually, Contractor shall prepare a written report of all Assets, and shall submit such report to County's Project Director using the information provided herein.

1.1 Reporting Cumulative Assets

- 1.1.1 At the beginning of each Fiscal Year, Contractor shall prepare a cumulative report of all Assets which are currently in Contractor's possession. In the event that Contractor has properly disposed of Assets (according to the procedures outlined in this Exhibit S) then Contractor shall exclude those disposed Assets from this cumulative inventory report. Contractor shall use Exhibit T (Inventory Control Form), as described in Sub-section IX.D.2.0 (Inventory Control Form), herein, as the mechanism to report these Assets.

1.2 Reporting Current Fiscal Year Assets

- 1.2.1 As part of the annual Closeout process which is conducted at the end of each Fiscal Year, Contractor shall complete its report of all

Assets purchased during that Fiscal Year (please refer to Appendix C (Sample Contract) for additional details on the Closeout process).

- 1.2.2 During any Fiscal Year in which Contractor does not purchase any Assets, Contractor shall prepare an Inventory Letter in lieu of completing the Inventory Control Form, as described in Subsection IX.D.3.0 (Inventory Letter), herein.

2.0 Inventory Control Form

- 2.1 On an annual basis or more frequently as requested by County, Contractor shall complete Exhibit T (Inventory Control Form) to report its Assets and shall submit it to County's Project Director.
- 2.2 Contractor shall maintain supporting records for all Assets reported on the Inventory Control Form including, but not limited to, receipts of purchase, purchase orders, etc.
- 2.3 County may require Contractor to submit such supporting records, which must be placed in sequential order (to match the order of the Assets listed on the Inventory Control Form), with the completed Inventory Control Form.
- 2.4 Contractor shall ensure that the information on the supporting records match the information reported on the Inventory Control Form.
- 2.5 Contractor shall complete the Inventory Control Form by reporting the following Assets:
 - 2.5.1 Assets purchased during prior Fiscal Years.
 - 2.5.2 Assets purchased under a Predecessor Agreement(s).
 - 2.5.3 Assets which County has not authorized Contractor to dispose of (i.e., Contractor shall report all Assets on the Inventory Control Form until the final disposition procedures have been completed for each Asset).

- 2.6 If Contractor has multiple contracts with County, Contractor shall use a separate Inventory Control Form to report Assets for each contract.

3.0 Inventory Letter

- 3.1 On an annual basis or more frequently as requested by County, Contractor shall prepare the Inventory Letter, and shall submit it to County's Project Director. The Inventory Letter shall adhere to the following:
 - 3.1.1 It shall indicate that no Fixed or Non-Fixed Assets were purchased using Contract Funds during the prior Fiscal Year (and shall list the full term of the Fiscal Year; for example, July 1, 20XX – June 30, 20XX).
 - 3.1.2 It shall include Contractor's name, Contract number and the name of the Program.
 - 3.1.3 If Contractor has multiple Program components, Contractor shall prepare a separate Inventory Letter to report that no Assets were purchased for each Program component. For purposes of this Contract, the Program component is defined as the Work to be provided under this Contract which:
 - 3.1.3.1 Has its own defined Services, Clients and other specific requirements as outlined in Exhibit A (Statement of Work); and,
 - 3.1.3.2 Is funded with its own share of the Contract Funds.
 - 3.1.4 The Inventory Letter shall be signed and dated by Contractor's Authorized Representative.

X. DISPOSAL REQUIREMENTS FOR ASSETS AND SUPPLIES

- A. The following requirements are applicable to both Assets and Supplies. Additionally, Contractor shall exercise due diligence to dispose of Supplies when specific requirements related to Supplies are not addressed. Contractor shall ensure that it obtains prior written approval from County in order to dispose of Assets pursuant

to Section VII (Approval Requirements for Disposing of Assets), herein.

- B. Consistent with Federal and State regulations, Contractor may dispose of Assets and Supplies pursuant to the guidelines reflected in this Exhibit S as well as in the Federal Register, Volume 78, Number 248, Part III, Office of Management and Budget, (2 CFR 200 et al.).
- C. For purposes of this Exhibit S, disposal shall include the sale, discard, transfer, donation, trade-in or other disposal of Assets.
- D. Only Assets that are considered Salvage or Surplus may be sold, transferred, donated or otherwise disposed of.
 - 1.0 Salvage items include Assets which are obsolete, broken or irreparable.
 - 2.0 Surplus items are Assets which are no longer needed for the Program due to expiration or termination of this Contract, termination of the Program, dissolution of Contractor's operations, or other similar circumstances.
 - 3.0 Contractor may sell, transfer, donate or otherwise dispose of Assets when these conditions are met:
 - 3.1 Only after the Assets have first been offered to and declined in writing by County.
 - 3.2 The sale, transfer, donation or other disposal does not create a conflict of interest for County or Contractor. For purposes of this Exhibit S, a conflict of interest may exist when the disposal of Assets involves certain individuals or entities who become the recipients of these Assets. These individuals and entities may include the following: Contractor employees; Contractor employees' family members; entities that conduct business or have a relationship with Contractor; Clients; etc.
- E. Disposition of Assets upon Dissolution of Contractor's Operations, Expiration or Termination of Contract or Termination of Program
 - 1.0 County reserves the right to determine the final disposition of the Assets when any of the following occurs:

- 1.1 After dissolution of Contractor's operations
- 1.2 Upon expiration or termination of this Contract
- 1.3 When the Program, for which Assets were purchased, has ended
- 2.0 Disposition may include, but is not limited to, County taking possession of and acquiring the Assets.
- 3.0 Contractor shall prepare a final Inventory Control Form reflecting the Assets to be provided to County, and shall submit it to County's Project Director within the timeframe designated by County.
- 4.0 County reserves the right to require Contractor to transfer such Assets to another entity, including, but not limited to, State, County or another contractor.
- 5.0 To exercise the right referenced in Sub-section X.E.4.0, herein, County will issue specific written disposition instructions to Contractor no later than ninety (90) days after expiration or termination of this Contract, notification of Contractor's dissolution or termination of the Program.

F. Supplies

- 1.0 Contractor shall compensate County for its share of the residual inventory of unused Supplies if the residual or current fair market value of the inventory exceeds \$500 or more in the aggregate when the items are no longer needed for either the Program or another Federally-funded program.
- 2.0 The aggregate value in this case is the total value of all remaining unused Supplies.

G. Current Fair Market Value

- 1.0 Contractor shall determine the current fair market value of all Assets being sold, transferred, disposed of or donated.
- 2.0 Contractor shall use one (1) or more of the following methods/resources to determine the current fair market value of an Asset:
 - 2.1 Orion Computer Blue Book

- 2.2 Professional or expert appraisal
- 2.3 Public advertisement
- 2.4 Industry quotation
- 2.5 Other similar methods/resources

H. Sale of Assets

- 1.0 After receiving written approval from County for this action, Contractor may sell Assets, which meet the requirements outlined in Sub-sections X.D.1.0 – X.D.3.0, herein, as a method of disposing those Assets.
- 2.0 Contractor shall have proper sales procedures in place in order to sell Assets. These procedures shall provide for competition to the extent practicable and shall result in the highest possible return.
- 3.0 Contractor shall record all sales revenue information relating to the sale or disposition of the Assets. Revenue from the sale of Assets becomes Program Income and Contractor may be required to reimburse County for the revenue that is earned pursuant to Exhibit Q (Accounting, Administration and Reporting Requirements).
- 4.0 After the sale of an Asset, Contractor shall prepare an updated Inventory Control Form and submit it to County's Project Director within the timeframe to be specified by County. The updated Inventory Control Form shall reflect information on the Assets sold.
- 5.0 Contractor shall obtain receipts from the recipient of the sale item(s) acknowledging receipt of the sale item(s) and shall forward copies of the receipts to County's Project Director along with the completed Inventory Control Form.

I. Transfer of Assets

- 1.0 After receiving written approval from County to transfer Assets, which meet the requirements outlined in Sub-sections X.D.1.0 – X.D.3.0, herein, Contractor may proceed with this action as a method of disposing those Assets.

- 2.0 Contractor shall transfer Assets according to this order:
 - 2.1 To another program providing the same or similar service as that provided under this Contract.
 - 2.2 To a Federally or State-funded program.
- 3.0 After the transfer of an Asset, Contractor shall prepare an updated Inventory Control Form and shall submit it to County's Project Director within the timeframe to be specified by County. The updated Inventory Control Form shall reflect information for the Assets transferred.
- 4.0 Contractor shall obtain receipts from the recipient of the transferred item(s) acknowledging receipt of the transferred item(s). Contractor shall forward copies of these receipts to County's Project Director along with the completed Inventory Control Form.

J. Donation of Assets

- 1.0 After receiving written approval from County to donate Assets, which meet the requirements outlined in Sub-sections X.D.1.0 – X.D.3.0, herein, Contractor may proceed with this action as a method of disposing those Assets.
- 2.0 To donate Assets, Contractor shall:
 - 2.1 Prepare an updated Inventory Control Form and submit it to County's Project Director within the timeframe to be specified by County. The updated Inventory Control Form shall reflect information for the Assets donated.
 - 2.2 Obtain receipts from the recipient of the donated item(s) acknowledging receipt of the donated item(s) and shall forward copies of the receipts to County's Project Director along with the completed Inventory Control Form.
 - 2.3 Obtain liability waiver(s) for donated items. Contractor shall be responsible for developing its own liability waiver, which should provide the following information, at a minimum:

- 2.3.1 Names and addresses of Contractor and recipient organization.
- 2.3.2 Complete description of the Asset(s) being donated including, but not limited to, Asset Bar Code Identification tag number, Asset name and make/model, serial number, quantity and condition.
- 2.3.3 Date when donation was received by recipient organization.
- 2.3.4 Certification statement to be attested to by recipient organization releasing Contractor from all liability for the donated Asset(s).
- 2.3.5 Name, signature and title of the recipient organization's authorized representative.

XI. NON-COMPLIANCE WITH PURCHASE, INVENTORY AND DISPOSAL REQUIREMENTS

- A. Contractor shall be under a continuing obligation throughout the entire term of this Contract to comply with the purchase, inventory and disposal requirements outlined in this Exhibit S and in the Federal Register, Volume 78, Number 248, Part III, Office of Management and Budget, (2 CFR 200 et al.).
- B. Contractor's non-compliance with these requirements shall subject Contractor to remedies which will be determined by County at County's sole discretion. Such remedies may include, but are not limited to, those actions noted in Paragraph 9.19 (Remedies for Non-Compliance) in this Contract. County may also impose the following remedies as warranted by the non-compliance:
 - 1.0 Disallow the cost for Assets purchased without prior written approval
 - 2.0 Require Contractor to remit payment for Assets which are not properly disposed or inventoried
 - 3.0 Remove those Assets from Contractor which are not properly maintained pursuant to the requirements outlined herein.

XII. RECORDKEEPING

- A. Contractor shall retain all Inventory Control Forms and all supporting records (including but not limited to invoices, receipts, purchase orders, etc.) for Assets and Supplies pursuant to Paragraph 8.38 (Record Retention and Inspection/Audit Settlement) of this Contract.
- B. Contractor shall make these documents available for collection and/or viewing by Federal, State and County authorities upon request.

County Asset Bar Code ID Number	Funding Source (If multiple funding sources, indicate % split)	DESCRIPTION				Location of Asset	Assigned to (Name of Person)	Cond. of Asset*	Purchase Order No.	No. of Units	DATE		COST	
		Type	Brand	Model	Serial No.						Purchased	Acquired	Unit	Purchased
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* Provide condition of the asset upon its disposal, transfer or as requested by County. Condition descriptions: V=Very Good; G=Good; F=Fair; P=Poor; S=Salvage/disposed

EXHIBIT T
(INVENTORY CONTROL FORM)

County Asset Bar Code ID Number	Funding Source (If multiple funding sources, indicate % split)	DESCRIPTION				Location of Asset	Assigned to (Name of Person)	Cond. of Asset*	Purchase Order No.	No. of Units	DATE		COST	
		Type	Brand	Model	Serial No.						Purchased	Acquired	Unit	Purchased
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter	Click here to enter a date.	Click here to enter a date.	Click here to enter text.	Click here to enter text.
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I certify under penalty of perjury that a complete physical inventory has been conducted, the information provided on this Exhibit is correct to the best of my knowledge, and all purchases were made in accordance with the conditions of the Subaward and are in compliance with Federal, State and County regulations.

Click here to enter text.

Subrecipient’s Name

Click here to enter text.

Program Services

Click here to enter text.

Name of Preparer Completing Exhibit

Click here to enter text.

Phone Number

Click here to enter text.

Name of Authorized Representative

Click here to enter text.

Authorized Representative’s Signature

Click here to enter text.

Subaward Number

Click here to enter text.

Fiscal Year

Click here to enter text.

Title

Click here to enter text.

Title of Authorized Representative

Click here to enter a date.

Date

* Provide condition of the asset upon its disposal, transfer or as requested by County. Condition descriptions: V=Very Good; G=Good; F=Fair; P=Poor; S=Salvage/disposed

EXHIBIT U
(CERTIFICATION OF COMPLIANCE WITH COUNTY'S
DEFAULTED PROPERTY TAX REDUCTION PROGRAM)

Select the certification below that is applicable to Subrecipient's organization:

- ☐ It is familiar with the defaulted property tax requirements outlined in Los Angeles County Code Chapter 2.206 (Defaulted Property Tax Reduction Program). To the best of its knowledge, after a reasonable inquiry, Subrecipient is not in default, as that term is defined in Los Angeles County Code Section 2.206.020.E, on any Los Angeles County property tax obligation. Subrecipient agrees to comply with County's Defaulted Property Tax Reduction Program during the term of any Subaward (that is "Contract").
- ☐ It is exempt from County of Los Angeles Defaulted Property Tax Reduction Program, pursuant to Los Angeles County Code Section 2.206.060, for the following reason:

Click here to enter text.

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Declaration

I declare under penalty of perjury under the laws of the State of California that the information stated herein is true and correct.

Click here to enter text.

Subrecipient's Name

Click here to enter text.

Subaward Number

Click here to enter text.

Title of Program Services

Click here to enter text.

Name of Authorized Representative

Click here to enter text.

Title of Authorized Representative

Click here to enter a date.

Authorized Representative's Signature

Date

EXHIBIT V
(CONTRACT MANAGEMENT SYSTEM –
CONTRACTOR’S GATEWAY TERMS AND CONDITIONS OF USE)

- 1.0 County has developed the Contract Management System – Contractor’s Gateway (hereafter “System”), an automated system designed to electronically manage this Subaward. County has implemented the System and Subrecipient shall use the System to perform its administrative contracting functions as directed by County.
- 2.0 County has established policies concerning the access, use and maintenance of the System. Subrecipient shall adhere to these policies, which include this Exhibit V (hereafter “Terms and Conditions of Use”), the Contract Management System-Contractor’s Gateway User Acknowledgement Agreement (“User Acknowledgement Agreement”), instruction guides/tutorials provided by County, training sessions conducted by County, etc. Subrecipient’s non-compliance with these policies may subject Subrecipient to denial of access to the System, suspension of payment(s), termination of this Subaward, and/or other actions which County may take at its sole discretion.
- 3.0 System Access and Control
 - 3.1. Subrecipient shall access the System using the following Uniform Resource Locator (URL) link:
https://gateway.css.lacounty.gov:4443/OA_HTML/AppsLogin (please note there is an underscore between “OA” and “HTML” in the URL).
 - 3.2. Subrecipient shall ensure that data that is accessed using County information technology resources must be used for County authorized purposes and must not be disclosed to others without County’s prior written authorization or unless required by Federal, State or Program regulations.
 - 3.3. Unauthorized access by Subrecipient to any County information technology resource, including the System, network, software application programs, data files, and restricted work areas is prohibited.
 - 3.4. Accessing the System During Non-Business Hours
 - 3.4.1. County recommends that Subrecipient does not access the System during non-business hours in order to allow County to provide technical assistance when requested from Users (who are defined in Section 5.0 (User Accounts), herein).
 - 3.4.2. For purposes of this Terms and Conditions of Use, non-business hours are defined as the days and times that are outside of the traditional work week (where the traditional work week is

recognized as Monday – Friday, 8:00 a.m. to 5:00 p.m.). The traditional work week does not include County-recognized holidays.

- 3.4.3. Generally, County-recognized holidays are the same as Federally-recognized holidays such as January 1st, July 4th, December 25th, etc. of each year. Subrecipient may obtain a current list of County-recognized holidays from County's Project Director.

4.0 System Protocols and Security

- 4.1. Digital communications that occur between Subrecipient and County within the System are conducted over a secure network, which has been established by County using Secure Socket Layer technology, one of the most robust encryption platforms available.
- 4.2. The System's URL provides an assurance to County and Subrecipient that accessing and using the System are done securely. A Web browser in secure mode will display a URL address beginning with "<https://>" rather than the standard "<http://>", where the "s" in "<https://>" stands for "secure".
- 4.3. County has established these secure, standard protocols which encrypt data across publicly used Internet connections.
- 4.4. County will make every effort to provide standard Internet-level performance while Users utilize the System. Subrecipient shall contact County when it experiences any disruptions in services by following the guidelines established in Sub-section 8.2, herein.

5.0 User Accounts

5.1. Designation of Users

- 5.1.1. Subrecipient shall designate Subrecipient Employees (Users) who shall be responsible for operating the System on Subrecipient's behalf.
- 5.1.2. For purposes of this Terms and Conditions of Use, a Subrecipient Employee is defined as a staff member on Subrecipient's payroll who works on this Subaward.
- 5.1.3. Subrecipient shall obtain prior approval from County to designate an account for each User who accesses the System. Subrecipient shall follow the instruction guides/tutorials provided by County and the general guidelines outlined in Sub-section 5.5 (Requesting User Accounts), herein, for requesting, creating and designating User accounts.

5.2. User Account Classification

5.2.1. User accounts are classified as either View-Only or Administrative. Subrecipient shall designate a classification for each User when requesting approval for a User account.

5.2.2. There are two (2) types of User account classifications:

5.2.2.1. View-Only User: A User who can access the System to view all Subaward documents and agency information.

5.2.2.2. Administrative User: A User who can access the System to view all Subaward documents and agency information, submit Subaward documents to County, update Subrecipient's administrative information, receive automated System alerts/notices (when designated as the contact person for this responsibility), and perform other functions as defined by County.

5.3. Active and Inactive User Accounts

5.3.1. An active User account is defined as a User who has an approved, current, valid account, which does not have an inactive or termination date in the System. This User can access the System and perform functions based on his/her account classification (as defined in Sub-section 5.2 (User Account Classification), herein).

5.3.2. An inactive User account is defined as a User whose account profile has been assigned an inactive or termination date and User can no longer access the System.

5.4. Subrecipient shall designate and maintain a minimum of two (2) active Users (up to a maximum of four (4) active Users) at all times as follows:

5.4.1. Subrecipient shall designate at least one (1) Administrative User at the level of Subrecipient's Project Director.

5.4.2. Subrecipient shall designate at least one (1) User who has delegated authority to execute this Subaward. This User shall be at the level of the Executive Director and may be classified as either a View-Only User or an Administrative User.

5.4.3. One of the two Users shall be designated as the responsible contact who shall receive and respond to System generated alerts/notices pertaining to Subaward Document Deliverables (e.g., insurance certificates, business licenses, permits, etc.).

5.5. Requesting User Accounts

5.5.1. Subrecipient shall obtain prior approval from County in order to establish User accounts in the System. Subrecipient shall follow these general guidelines to obtain County's approval:

5.5.1.1. Subrecipient shall review its Employees, assess each of their responsibilities, and determine which Employee(s) should have a User account in the System.

5.5.1.2. Subrecipient shall provide the Employee with the User Acknowledgement Agreement, and the Employee shall read and complete the form. Subrecipient's Authorized Representative shall review and sign the form. Subrecipient shall ensure that the User Acknowledgement Agreement is completed for each Employee that will receive a User account.

5.5.1.3. Subrecipient shall ensure that the completed User Acknowledgement Agreement is attached/saved in the System as a Subaward Document Deliverable (on the General Page of the Administration tab) prior to requesting and being granted access to the System by County.

5.5.1.4. Subrecipient shall create a profile for each User in the System.

5.5.1.5. Upon County's receipt of the User profile submitted by Subrecipient, County will review User's profile and Employee's completed User Acknowledgement Agreement.

5.5.1.6. County will inform Subrecipient whether the User account has been approved or rejected.

5.5.2. Approved and Rejected User Accounts

5.5.2.1. Upon approval of Subrecipient's request for a User account, County will provide User with a unique User Name (logon/System identifier) and a default password.

5.5.2.1.1. User shall be responsible for changing his/her password when prompted by the System.

5.5.2.1.2. User may begin accessing the System immediately.

5.5.2.2. Upon rejection of Subrecipient's request for a User account, County will follow-up with Subrecipient to discuss the reason(s) for rejecting Subrecipient's request for a User account.

5.5.3. Subrecipient's Assurances Upon Creating User Accounts

5.5.3.1. Subrecipient is responsible for the conduct of all Users who access and utilize the System. Subrecipient shall ensure that Subrecipient and its Users adhere to this Terms and Conditions of Use, the User Acknowledgement Agreement, instruction guides/tutorials provided by County, training sessions conducted by County, etc. which establish the policies under which the Users shall operate the System.

5.5.3.2. Subrecipient shall ensure that each User's copy of the User Acknowledgement Agreement forms are saved in the System as a Subaward Document Deliverable. Subrecipient shall not delete any User Acknowledgement Agreement forms from the System without County's written prior approval.

5.5.3.3. Subrecipient shall ensure that all Users receive and maintain current copies of all instruction guides/tutorials for using the System, which are developed by County and provided to Subrecipient.

5.6. User Name and Password

5.6.1. Subrecipient shall ensure that its Users do not share their unique User Name and password with any other person.

5.6.2. County recommends that Users change their passwords every three (3) months to ensure additional password security.

5.6.3. Subrecipient shall ensure that all Users maintain valid, secure e-mail accounts, which shall be used for self-service maintenance of User Name and password information. In the event that Users forget their User Name or password, User shall adhere to the instruction guides/tutorials provided by County for resetting the User Name or password.

- 5.6.4. Repeated changes to a User's password outside of the recommended three-month period, as noted in Sub-section 5.6.2, herein, shall be monitored and investigated by County and may result in County suspending User's access.

5.7. Change in User's Status

- 5.7.1. When a User's status changes (e.g., he/she is no longer employed by Subrecipient or User's responsibilities change), Subrecipient's Authorized Representative shall take immediate action to update the User's account profile. Updates to User account profiles shall be approved by County.
- 5.7.2. Subrecipient shall update User account profiles in the System by removing a User's account once that User is no longer an Employee on this Subaward.
- 5.7.3. New Employees/Users
 - 5.7.3.1. When Subrecipient determines that a new Employee shall receive a User account, Subrecipient shall adhere to the guidelines established in Sub-section 5.5 (Requesting User Accounts), herein, to create an account in the System.
 - 5.7.3.2. Prior to requesting a new User account, Subrecipient shall ensure that it continues to maintain at least two (2) active Users and does not exceed the maximum of four (4) Users (pursuant to Sub-section 5.4, herein).
- 5.7.4. Subrecipient shall regularly review all User account information to ensure accuracy and completeness. Subrecipient shall ensure that updates are completed whenever administrative changes occur.
- 5.7.5. If County determines at its own discretion that Subrecipient is creating or removing User accounts too frequently then County shall take appropriate measures to investigate and remedy these occurrences. Upon County's request, Subrecipient shall provide sufficient justification for these frequent User account updates.

6.0 General Policies for Use

- 6.1. County information technology resources are to be used solely for County business purposes.

6.2. County may periodically update this Terms and Conditions of Use and the User Acknowledgement Agreement policies. County may also implement future enhancements to the System. Subrecipient shall ensure that Subrecipient and Users adhere to all policy updates as well as any new procedures for using System enhancements.

6.3. Data Integrity

6.3.1. Subrecipient shall ensure that Users maintain the integrity of data they enter in the System, and do not save, store or attach electronic files in the System which do not meet the following requirements:

6.3.1.1. File types must be Word, Excel or Portable Data Format (PDF) documents. Files such as pictures, videos, music, PowerPoint presentations, or other files as determined by County are not acceptable types of documents.

6.3.1.2. File types must be compatible with standard/common national brands, including Microsoft Office 2003 products or later version (Word, Excel, etc.), Adobe Reader 9.0 (or later version) or their equivalent.

6.3.1.3. Files shall not be corrupted (i.e., documents shall be free of viruses).

6.3.1.4. The size limit of each file shall not exceed ten (10) megabytes (10 MB).

6.3.2. Subrecipient's non-compliance with the data requirements outlined herein will be remedied at County's sole discretion.

6.4. E-Mail Alerts and Notices

6.4.1. The System generates automatic e-mail alerts and notices based on the occurrence of certain events. These events may include, but are not limited to, confirmation of executed Subaward (or Amendments), request for Subaward Document Deliverables, notification of expired Subaward Compliance Document Deliverables, etc.

6.4.2. Subrecipient shall ensure that its Users adhere to all alerts and notices generated by the System. These alerts and notices shall convey and have the same effect and importance as alerts and notices sent by County's Administration (or their designees) as defined in Paragraph 6.0 (Administration of Subaward-County) in this Subaward and Exhibit E (County's Administration).

Subrecipient shall appropriately respond to all requests for documentation, promptly adhere to due dates/deadline requirements and diligently follow all instructions indicated in the alert/notice.

6.5. Administrative Changes

6.5.1. Pursuant to Paragraph 7.0 (Administration of Subaward-Subrecipient) and Paragraph 8.34 (Notices) of this Subaward, Subrecipient shall designate its authorized staff by using Exhibit F (Subrecipient's Administration). Further, Subrecipient shall initiate any changes in its staff, including those listed on Exhibit F (Subrecipient's Administration), by giving written notice to County.

6.5.2. When changes to Subrecipient's staff, address or other items requiring written notice are necessary, Subrecipient shall:

6.5.2.1. Adhere to the requirements outlined in Paragraph 8.34 (Notices) of this Subaward.

6.5.2.2. Upon providing the required written notice to County, update the administrative data in the System, including all User account profile information.

6.5.3. Implementation and use of the System shall not excuse Subrecipient from adhering to the requirements for providing proper written notice to County when changes occur in Subrecipient's administration.

7.0 Monitoring

7.1. All County information technology resources are subject to audit and periodic, unannounced review by County.

7.2. County reserves the right to administer, monitor, audit and/or investigate Subrecipient's access to and use of County's information technology resources (i.e., System, e-mails, Subrecipient-generated data files, etc.). If evidence of abuse or negligence is identified, County will take the appropriate actions to remedy any areas of Subrecipient's non-compliance.

7.3. During County's monitoring of User activities, unusual practices will be investigated and reported to County's Administration. County will take the necessary steps to remedy Subrecipient's inappropriate use of the System. Unusual practices may include, but are not limited to, the following:

7.3.1. Users frequently accessing the System during non-business hours (pursuant to Sub-section 3.4 (Accessing the System During Non-Business Hours), herein).

- 7.3.2. Subrecipient not maintaining the minimum and/or exceeding the maximum number of Users at any point in time (pursuant to Sub-section 5.4, herein).
- 7.3.3. Users changing their passwords more than the recommended limit (pursuant to Sub-section 5.6.4, herein).
- 7.3.4. Subrecipient frequently changing its Users (pursuant to Sub-section 5.7.5, herein).

8.0 System Maintenance and Technical Assistance

- 8.1. To ensure proper operation of the System, County will periodically perform routine System maintenance activities. Since these activities will impact the ability of Users to access the System, County will notify Users when they attempt to login that System maintenance is occurring and County will indicate the time when the System will become available. Generally, System maintenance activities will occur during non-business hours (e.g., weekends, late evenings, County-recognized holidays, etc.) to limit the impact to Users.
- 8.2. County will provide assistance to Users in the event of technical difficulties that may occur while utilizing the System. Technical assistance will be provided as follows:
 - 8.2.1. Monday through Friday, 8:00 a.m. to 5:00 p.m. (excluding County-recognized holidays).
 - 8.2.2. County's Administrators
 - 8.2.2.1. Ms. Tsotso Odamtten may be reached by phone or e-mail, respectively, as follows: (213) 738-2663 or tsotso@wdacs.lacounty.gov.
 - 8.2.2.2. Ms. Lynn Tran may be reached by phone or e-mail, respectively, as follows: (213) 739-7393 or ltran@wdacs.lacounty.gov.
 - 8.2.3. County will follow-up on requests for assistance from Subrecipient within at least two (2) business days during the traditional work week (pursuant to Sub-sections 3.4.2 and 8.2.1, herein).

EXHIBIT W (BUDGET)

COUNTY OF LOS ANGELES

WORKFORCE DEVELOPMENT, AGING AND COMMUNITY SERVICES

NEW FREEDOM: DOOR-ASSISTANCE TRANSPORTATION PROGRAM (DATP)

CONTRACT NO.:	
FISCAL YEAR:	
AMENDMENT NO.:	

Legal Name of Agency:

CPUC Cert No.:

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Main Administrative Office Address

City

Zip Code

Fax No.

--	--	--	--

Mailing Address (if different from above)

City

Zip Code

Fax No.

Authorized Signatory for Agency

Title

Phone No.

Ext.

Email Address

Secondary Contact for Agency

Title

Phone No.

Ext.

Email Address

[illegible]

EXHIBIT W (BUDGET)

COUNTY OF LOS ANGELES

WORKFORCE DEVELOPMENT, AGING AND COMMUNITY SERVICES

NEW FREEDOM: DOOR-ASSISTANCE TRANSPORTATION PROGRAM (DATP)

CONTRACT NO.:	
AMENDMENT NO.:	
MODIFICATION NO.:	

Legal Name of Agency:

[illegible]

MONTHLY MILEAGE ESTIMATE ASSUMPTIONS:		x		=	-
	Avg Length of One-Way Trip in District		Estimated Number of Trips Provided		Monthly Miles Provided

Monthly Miles	-
x Months	12
TOTAL MILEAGE	-

DOOR ASSISTANCE SERVICE	\$ -	÷	0	=	#DIV/0!	per mile
	TOTAL COST		TOTAL MILEAGE		UNIT RATE	
SERVICE AREA(S):	SD1		SD2		SD3	
					SD4	
					SD5	

SERVICE AREA(S):

SD1		SD2		SD3		SD4		SD5	
-----	--	-----	--	-----	--	-----	--	-----	--

EXHIBIT W (BUDGET)

COUNTY OF LOS ANGELES
WORKFORCE DEVELOPMENT, AGING AND COMMUNITY SERVICES
NEW FREEDOM DATP

CONTRACT NO.:	
FISCAL YEAR:	
AMENDMENT NO.:	

Legal Name of Agency:

VEHICLE INFORMATION

	License Plate	State	Vehicle Identification Number	Manufact.	Year	Model	Seats	Equipment (i.e. Wheelchair rack, swivel
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								

EXHIBIT W (BUDGET)

COUNTY OF LOS ANGELES

WORKFORCE DEVELOPMENT, AGING AND COMMUNITY SERVICES

NEW FREEDOM: DOOR-ASSISTANCE TRANSPORTATION PROGRAM (DATP)

CONTRACT NO.:	
FISCAL YEAR:	
AMENDMENT NO.:	

Legal Name of Agency:

--

	License Plate	State	Vehicle Identification Number (VIN)	Manufact.	Year	Model	Seats	Equipment (i.e. Wheelchair rack, swivel seats, etc.)
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								
41								
42								
43								
44								

EXHIBIT W (BUDGET)

COUNTY OF LOS ANGELES
WORKFORCE DEVELOPMENT, AGING AND COMMUNITY SERVICES
NEW FREEDOM: DOOR-ASSISTANCE TRANSPORTATION PROGRAM (DATP)

CONTRACT NO.:	
FISCAL YEAR:	
AMENDMENT NO.:	

Legal Name of Agency:

DISPATCHER SITES

	Site Name	Service Area(s)	Contact/Phone Number	Days/Hours of Operation			
				Mon - Fri	Saturday	Sunday	Open Holidays
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							

EXHIBIT X

INTENTIONALLY OMITTED

EXHIBIT Y (LIST OF LOWER TIER SUBAWARDS)

Select the certification below that is applicable to Subrecipient's use of lower tier subrecipient(s)/lower tier subaward(s):

- ☐ Subrecipient intends to use lower tier subrecipient(s)/subaward(s) to provide Program Services (details are provided in the chart below).
- ☐ Subrecipient will not use lower tier subrecipient(s)/subaward(s) to provide Program Services.

Lower Tier Subrecipient		Contact Person's Name and Phone Number	Description of the Work/Services to be Performed	Program Services	Lower Tier Subaward Amount (Estimated)
Legal Name	Address and Phone Number				
Click here to enter text.	Click here to enter address. Click here to enter phone number.	Click here to enter name. Click here to enter phone number.	Click here to enter text.	Choose an item. Click here to enter text for "Other".	Click here to enter text.
Click here to enter text.	Click here to enter address. Click here to enter phone number.	Click here to enter name. Click here to enter phone number.	Click here to enter text.	Choose an item. Click here to enter text for "Other".	Click here to enter text.
Click here to enter text.	Click here to enter address. Click here to enter phone number.	Click here to enter name. Click here to enter phone number.	Click here to enter text.	Choose an item. Click here to enter text for "Other".	Click here to enter text.
Click here to enter text.	Click here to enter address. Click here to enter phone number.	Click here to enter name. Click here to enter phone number.	Click here to enter text.	Choose an item. Click here to enter text for "Other".	Click here to enter text.

EXHIBIT Z (COST ALLOCATION PLAN)



**COUNTY OF LOS ANGELES
COMMUNITY AND SENIOR SERVICES**

DIRECTIVE

Number: CCD- 15 - 03

**SUBJECT: Cost Allocation and Indirect Cost
Requirements for CSS Subawards**

Date: September 24, 2015

Effective Date: Immediately

TO: ALL CSS SUBRECIPIENTS

PURPOSE:

The purpose of this directive is to provide subrecipients with the requirements for submission and approval of cost allocation and indirect cost plans applicable to County of Los Angeles Community and Senior Services (CSS) subawards.

This directive will provide guidance on cost allocation principles, methods of allocating shared costs, and the development of cost allocation and indirect cost plans.

APPLICATION:

This directive applies to subrecipients and contractors funded by CSS through, but not limited to the following funding sources:

- CalWorks (from any fund source, i.e., Single Allocation)
- Older Americans Act
- Workforce Innovation and Opportunity Act

REFERENCES:

- 2 CFR Chapter I and Chapter II, Parts 200, 215, 220, 225, and 230 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule

BACKGROUND:

On December 26, 2013, the Office of Management and Budget revised the Uniform Administrative Requirements for Federal grants, combining those requirements with those of the audit requirements and cost principles. These regulations are codified at 2 CFR Chapter I and Chapter II, Parts 200, 215, 220, 225, and 230, became effective December 26, 2014, and are referred to as the Uniform Guidance. These rules contain the guidance and criteria for the establishment of cost allocation plans and indirect cost rates.

DEFINITIONS:

Allocation means the process of assigning a cost, or a group of costs, to one or more cost objective(s), in reasonable proportion to the benefit provided or other equitable relationship. The process may entail assigning a cost(s) directly to a final cost objective or through one or more intermediate cost objectives. (2 CFR 200.4)

All costs that are allocated to cost objectives must be actual and not estimated and must be documented.

Cognizant agency for indirect costs means the Federal agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals developed under this Part on behalf of all Federal agencies. The cognizant agency for indirect cost is not necessarily the same as the cognizant agency for audit. (2 CFR 200.19)

Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this Part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward. (2 CFR 200.22)

Cost objective means a program, function, activity, award, organizational subdivision, contract, or work unit for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, products, jobs, capital projects, etc. A cost objective may be a major function of the non-Federal entity, a particular service or project, a Federal award, or an indirect (Facilities & Administrative (F&A)) cost activity. (2 CFR 200.28)

Final cost objective means a cost objective which has allocated to it both direct and indirect costs and, in the non-Federal entity's accumulation system, is one of the final accumulation points, such as a particular award, internal project, or other direct activity of a non-Federal entity. (2 CFR 200.44)

Generally Accepted Accounting Principles (GAAP) has the meaning specified in accounting standards issued by the Government Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB). (2 CFR 200.49)

Indirect (F&A) costs means those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. To facilitate equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect (F&A) costs. Indirect (F&A) cost pools should be distributed to benefitted cost objectives on bases that will produce an equitable result in consideration of relative benefits derived. (2 CFR 200.56)

Indirect cost rate proposal means the documentation prepared by a non-Federal entity to substantiate its request for the establishment of an indirect cost rate as described in the Uniform Guidance. (2 CFR 200.57)

Intermediate cost objective means a cost objective that is used to accumulate indirect costs or service center costs that are subsequently allocated to one or more indirect cost pools or final cost objectives. (2 CFR 200.60)

Modified Total Direct Costs (MTDC) means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and subawards and subcontracts up to the first \$25,000 of each subaward or subcontract (regardless of the period of performance of the subawards and subcontracts under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, client support costs and the portion of each subaward and subcontract in excess of \$25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs. (2 CFR 200.68)

To clarify, the first \$25,000 of subawards or subcontracts applies to agreements between the CSS subrecipient and lower tiered level providers.

Pass-through entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program. (2 CFR 200.74)

Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract. (2 CFR 200.92)

Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency. (2 CFR 200.93)

POLICY:

All CSS subrecipients must have approved plans for the allocation of shared costs to subawards and cost categories and for charging indirect costs to subawards.

Effective with the subawards made by CSS to subrecipients beginning July 1, 2015, subrecipients must develop written plans for cost allocation and indirect costs. The plans must be submitted to CSS no later than October 7, 2015 for review. Submission of a plan does not automatically confer approval. CSS reserves the right to require changes to a submitted plan. Once plans are submitted by the subrecipient and approved by CSS, there can be no changes to the methodology except as required by CSS. For contracts with multiple contract years, the

subrecipient will have an opportunity to request changes to the methodology and plan prior to April 1st of each contract year.

They must be forwarded to CSS at the following address:

County of Los Angeles Community and Senior Services
Attention: Compliance Division
3175 W. 6th Street
Los Angeles, CA 90020 and at
mtarver@css.lacounty.gov

All future CSS procurements, cost allocation and indirect cost plans will be required as part of the subrecipient's submission to a CSS Request for Proposal. Failure to submit plans that meet the requirements set forth in this directive will result in a nonresponsive proposal which shall not be considered for funding.

COST PRINCIPLES:

The Uniform Guidance requires organizations to follow the cost principles described in that document. These cost principles require, in general, that, to be allowable:

1. a cost shall be necessary and reasonable for the proper and efficient administration of the program;
2. be allocable to the program; and,
3. except as provided in the case of governmental subrecipients, not be a general expense required to carry out the overall responsibilities of the governmental subrecipient.

Whether a cost is charged as a direct cost or as an indirect cost shall be determined in accordance with the descriptions of direct and indirect costs contained in those cost principles.

Allocability: Allocability is one of the basic cost principles used in determining whether costs are allowable to federally funded subawards. Allocability is a measure of the extent to which a cost benefits the subaward in general and its cost objectives in particular. **To the extent that a cost does not benefit the program, the cost cannot be charged to the subaward.**

Consistent Treatment: For a cost to be allocable to a particular cost objective, it must be treated consistently with other costs incurred for the same purpose in like circumstances. A cost may not be assigned to a subaward as a direct cost if any other cost incurred for the same purpose, in like circumstances, has been allocated to an award as an indirect cost. Costs identified specifically with subawards are direct costs of the subawards and are to be assigned accordingly. Costs identified specifically with other final cost objectives of the organization are direct costs of those cost objectives and are not to be assigned to other awards directly or indirectly.

Example: The subrecipient has three case managers who perform identical duties, each serving a clientele from multiple programs. One case manager reports time as the basis for the costs associated with that position while the other two case manager salaries are allocated to programs based on number of clients served.

It would not meet the standard of consistent treatment to use different bases to allocate the same type of cost to programs. The salaries of the three case managers should be treated the same for all programs.

It is possible for a portion of a cost to be attributable to an indirect cost pool and another portion to be directly assignable to a program. In those instances, the subrecipient must take care to treat the costs consistently.

Example: A director has administrative responsibility for a youth program and a Area Agency on Aging (AAA) program and spends four hours a week teaching a class to youth participants on work skills. The remainder of the director's time (36 hours) is spent on general administrative duties of the subrecipient. For consistent treatment, the costs associated with time spent on administrative duties would be charged to all programs through the indirect cost rate while the four hours of teaching time can be charged directly to the youth program regardless of how the administrative costs were charged, since the teaching costs were not incurred for the same purpose as the administrative costs.

TYPES OF COSTS:

The total cost of a subaward program is comprised of the allowable direct costs incident to its performance, plus the allocable portion of allowable indirect costs, less applicable credits.

Direct Costs: Direct costs are readily identified with and directly charged to a specific cost objective. Direct costs may be specifically identified with and assigned to a final cost objective, such as a specific program cost category. Direct costs are charged directly to a final cost objective and do not require any further allocation or breakdown by the subrecipient.

For a direct cost to be assignable in its entirety to a particular cost objective, the cost objective must receive the full benefit from the goods, services, activities, or effort that make up that cost. In this instance, measuring benefit entails no more than identifying the full cost of the activity and assigning it to the correct cost objective.

Example: The salary cost of a staff person performing case management duties only for a specific fund source of the subrecipient is directly assignable to the program cost category under that program.

Example: The staff person in the above example performed case management duties for two programs serving clients from each program and documented the hours spent on each program on a time sheet. The salary costs would be a direct cost to both programs, based on the documented time sheet hours.

Shared Costs: Shared costs are costs that cannot be readily assigned to a final cost objective, but which are directly charged to an intermediate cost objective or cost pool and subsequently allocated to final cost objectives. These costs are incurred for a common or joint purpose benefiting more than one cost objective. These costs are similar to the general indirect costs in that it is easier to assign or allocate them based on some measure of benefit received than to assign them directly to final cost objectives.

When the direct measurement of benefit cannot be done efficiently and effectively, then it is appropriate to pool the costs for later distribution. An allocation base is the mechanism used to allocate the pooled costs to final cost objectives. Using the above example, instead of staff recording time spent by activity, the organization could use the relative number of clients in each activity or some other equitable basis for measuring benefit to each program. Care should be taken to ensure that the basis chosen does not distort the results and that the basis is appropriate to the cost objectives receiving the costs.

Any distribution of costs between programs or between direct and indirect costs must be documented. Estimates or verbal attestation is not sufficient. Auditable documentation must support the allocation of these costs.

Example: Three staff members provide case management services to clients in two CSS funded programs without regard to which program the clients are enrolled and it is difficult to identify time spent by client. The case managers' costs are directly assigned to the program cost category but are not readily assignable by type of client. The case managers' costs could be directly charged to a cost pool established to accumulate such costs and later distributed to the appropriate category using an appropriate allocation method, such as the relative number of clients enrolled.

Indirect Costs: These costs may originate in the subrecipient's own organization or in other departments that supply goods, services, or facilities to the CSS funded program. Most often, however, general indirect costs are costs that are incurred to support the overall operation of the organization, and for which a direct relationship to a particular CSS funded program cannot be shown without effort disproportionate to the results achieved. Indirect costs are charged back to the program using an indirect cost plan or rate. Indirect costs are required to have a documentable and approved basis of allocation.

INTERMEDIATE AND FINAL COST OBJECTIVES:

Costs that are not readily chargeable to a final cost objective are often aggregated into intermediate cost objectives, usually called cost pools, and are periodically allocated to final cost objectives using an appropriate allocation methodology. Cost pools can be established for any type of cost when it is beneficial or necessary to pool costs. All pooled costs must ultimately be allocated to the final cost objectives in proportion to the relative benefits received by each cost objective.

A cost objective is an **activity** for which separate cost measurement is performed. A further distinction is made between intermediate and final cost objectives. An intermediate cost objective can be a cost pool, center, or area established for the accumulation of costs, assigned to such dissimilar categories as organizational units, functions, objects, or items of expense. Final cost objectives include specific funding sources, cost categories, grants, program activities, projects, contracts, and/or other activities.

Cost Pools: Cost pools can be established for any types of common costs when it is practical or necessary to pool such costs.

Example: A subrecipient has staff members who conduct the initial intake for both a CSS program and other programs. An intake manager is responsible for overseeing and managing the client flow process, supervising the intake workers, and reporting to the deputy director. All costs are unassignable, initially pooled, and charged temporarily to an intake related cost pool account. These costs include the salary and fringe benefits of the line staff and intake manager, materials, phones, and other related costs required to carry out the intake function. Then, based on an approved formula that distributes costs based on benefits received by each program (such as the number of eligibility determinations completed for each program or the number of persons enrolled during the period), the costs are charged back to the appropriate programs.

Cost pools reduce some of the burden of tracking expenditures because they are vehicles for temporarily accumulating unassignable direct and indirect costs that later will be allocated to a particular program. As costs accrue, a formula based on the benefits received by each program dictates how these costs will be distributed and reported by program or cost category. This eliminates trying to assign all staff time and every expenditure by program or cost category at the time it is incurred.

NOTE: The allocation of pooled costs based on fund availability or percentage of funding source administrative dollars (contribution method) is not allowable.

ALLOCATION OF SHARED COSTS:

Allocating Shared Personnel Services Costs: Amounts charged to CSS funded programs for personnel services, regardless of whether treated as direct, shared or indirect costs, must be based on payrolls documented and approved in accordance with the established practice of the employing entity.

Standards for Documentation of Personnel Expenses: Charges to CSS subawards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- Be incorporated into the official records of the subrecipient;

- Reasonably reflect the total activity for which the employee is compensated by subrecipient, not exceeding 100% of compensated activities;
- Encompass all programs (both CSS and non-CSS);
- Comply with the established accounting policies and practices of the subrecipient; and
- Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one program; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.
- Budget estimates (i.e., estimates determined before the services are performed) alone do not qualify as support for charges to Federally funded subawards, but may be used for interim accounting purposes, provided that:
 - The system for establishing the estimates produces reasonable approximations of the activity actually performed;
 - Significant changes in the corresponding work activity (as defined by the subrecipient's written policies) are identified and entered into the records in a timely manner. Short term (such as one or two months) fluctuation between workload categories need not be considered as long as the distribution of salaries and wages is reasonable over the longer term; and
 - The subrecipient's system of internal controls includes processes to review after-the-fact interim charges made to the subaward based on budget estimates. All necessary adjustment must be made such that the final amount charged to the subaward is accurate, allowable, and properly allocated.

Because practices vary as to the activity constituting a full workload, records may reflect categories of activities expressed as a percentage distribution of total activities.

For records which meet the standards described above, the subrecipient will not be required to provide additional support or documentation for the work performed, other than the requirements of the Department of Labor regulations implementing the Fair Labor Standards Act (FLSA) (29 CFR Part 516), for charges of nonexempt employees' salaries and wages. In addition to the supporting documentation described in this section, salaries must also be supported by records indicating the total number of hours worked each day.

Salaries and wages of employees used in meeting cost sharing or matching requirements on Federal awards must be supported in the same manner as salaries and wages claimed for reimbursement from Federal awards.

For local government subrecipients, substitute processes or systems for allocating salaries and wages to CSS subawards may be used in place of or in addition to the records described in the paragraph above if approved by the cognizant agency for indirect cost. Such systems may include, but are not limited to, random moment sampling, "rolling" time studies, case counts, or other quantifiable measures of work performed.

Allocating Shared Nonpersonnel Services Costs: Nonpersonnel services costs, when directly associated with time worked by the subrecipient's staff, may also be allocated to the benefiting cost objectives based on documented distributions of actual time worked. These costs could include space costs, utilities, building maintenance, supplies, and other such costs correlated with staff usage. To use time distribution as the basis for allocation of nonpersonnel services costs, time worked must be an equitable measure of the benefit derived from nonpersonnel services costs.

Example: Desktop supplies are stored centrally and used by all staff in performing their jobs. It is reasonable to conclude that the supplies are used in the same manner and for the same purpose as the time spent by staff while using the supplies. It is acceptable to use time distribution as the basis for allocating the cost of desktop supplies to various cost categories.

ALLOCATION BASES:

When costs are pooled instead of being directly assigned to a final cost objective, the ability to directly assign benefit for each item of cost is lost. Instead, the pool contains a group of common costs to be allocated by using an indirect or approximate measure of benefit. The approximate measure of benefit is the allocation base. An allocation base is the method of documentation used to measure the extent of benefits received when allocating joint costs among multiple cost objectives.

Many different types of bases can be used in allocating costs. The most appropriate base will vary with the circumstances prevailing in each instance. An organization is likely to use several different bases for allocating different types of costs. Acceptable methods for distributing pooled costs may vary by type of organization, functional units or levels within an organization, types of cost to be allocated, and cost category. The basis used to allocate a particular type of cost should be used consistently over time and be described in the Cost Allocation Plan (CAP).

Acceptable Allocation Bases: An allocation base is acceptable if it represents a fair measure of cost generation or cost benefit, is documented, and if it results in an equitable distribution of the costs of services rendered or goods provided. Each base should be considered on its own merits as to the purpose for using it and the degree of equity it will achieve in allocating joint costs. In selecting a method, the additional effort and expense required to achieve a greater degree of accuracy should be considered. General criteria that should be used in selecting an allocation base include the following:

Minimal Distortion. The base should distribute costs in a fair and equitable manner without distorting the results. This requires that the base be as causally related as possible to the types of costs being allocated so that benefit can be measured as accurately as possible.

Example: It is appropriate to allocate pooled intake costs based on the proportionate number of eligible applicants per program, since there is a direct relationship between incurring intake costs and determining eligibility. It also is appropriate to use the number of new enrollments by program as the basis for allocating intake costs when enrollments provide an equitable measure of effort, since the benefit of intake is the eventual enrollment of clients into the programs.

General Acceptability. The base should be generally accepted and in conformance with GAAP. For example, it should be consistently applied over time. The base should also be drawn from the same period during which the costs to be allocated have been incurred.

Example: It is not appropriate to change the base for allocating a pooled cost from quarter to quarter, such as using direct program expenditures in the first quarter, number of clients served in the second quarter, and time distribution in the third quarter. It is also not appropriate to use last year's client data as the basis for allocating this year's expenditures.

Represents Actual Cost or Effort Expended. The base should be a measure of actual cost or actual effort expended. It should not be based solely on a plan, budget, job description, or other estimates of planned activity.

Example: Pooled costs may not be allocated to subawards on the basis of the proportionate amount of funds available from each funding source. It is generally not appropriate to use the relative amount of funds required to be spent as the basis for allocating this pool of costs since budgets are not a measure of actual activity or effort.

Timely Management Control. The base should be within management's ability to control on a timely basis. The base should produce reliable and fairly predictable results. If the base is erratic and unpredictable, beyond management's ability to control, or not timely, it is likely to produce unacceptable results.

Example: If a subrecipient uses client data as the base for allocating some of its organization-wide costs, it risks having the data used for allocation skewed by periods of poor performance. The inconsistency of a client population as the basis for allocation of its organization wide costs hinders management's control of organizational expenses.

Consistency with Variations in Funding. The base must be able to accommodate and withstand changes in funding during the year and from year to year. If the base includes factors that are affected by variations in funding, it will produce distorted results.

Example: It is not appropriate to allocate costs using a basis that does not include all benefiting funding received during the year. If an organization operates a six month funded program, then shared costs associated with that program must be included in the mix of activities during that six month period, or the distribution of costs may not be equitable.

Materiality of Costs Involved. The time and expense spent in developing the base should not be greater than justified by the materiality of the costs to be allocated. In other words, the grantee should not spend more on obtaining the information needed to allocate pooled costs than the dollars in the pool warrant. The base should be sufficiently detailed to provide the most equitable and accurate allocation possible. At the same time, the base should be simple enough to be efficient while still attaining a fair distribution of costs.

Example: It is not appropriate to fold a larger pool of costs, such as management staff costs, into another unrelated pool of costs rather than allocate the costs separately or to distribute staff costs equally among the programs. For pooled management staff costs, a base should be used that more accurately measures benefit to each program, such as direct time charges per program.

Practicality and Cost of Using the Base. The base should be as efficient as possible in terms of the cost or effort in developing it. Thus, wherever possible, a data base that already exists in the subrecipient's record keeping and reporting systems should be used rather than create a separate data base to be used only for allocating costs.

Example: It is appropriate and more efficient, without unduly sacrificing accuracy, to allocate client transportation costs using current enrollment data that is already available, rather than creating a separate data base on the exact number of clients receiving transportation assistance by type of client.

What Is the Best Base? There is no single answer to this question. The answer varies by type of organization, levels within an organization, organizational structure, method of program delivery, accounting and client reporting systems, types of costs included in the pool, and availability of other types of data to use as a base. The general guidelines presented here can be used to help with decision-making.

When choosing among available bases, a base should be chosen that is more directly related to, and the better measure of, the costs being allocated and the benefits being received.

Subrecipients are encouraged to develop and use appropriate expenditure bases (such as salaries and fringe benefits and total direct costs) and client bases (such as number of clients enrolled) to allocate joint costs. Where a subrecipient conducts several human services programs with multiple funding sources and uses an automated accounting system, an appropriate expenditure base is usually one that reflects time

spent or clients served. This is also a more easily managed base than using multiple bases or a base dependent upon additional sources of information.

Possible Bases for Allocation: Some possible bases for allocation are as follows. These are suggested bases only, and subrecipients are cautioned to review these bases for applicability to their programs. In addition, any base used for allocation of costs must comply with the requirements for an allowable base.

- Accounting - Number of transactions; direct labor hours; allowable survey methods
- Auditing - Direct audit hours; expenditures audited
- Budgeting - Direct labor hours
- Consumable Supplies - Total direct costs; direct labor hours
- Counselor - Direct labor hours; number of clients counseled
- Data Processing System - Usage; direct labor hours
- Disbursing Service - Number of checks issued; direct labor hours
- Fidelity Bond - Number of bonded employees
- Health Services - Number of employees
- Intake - Number of eligible clients; current period enrollments
- Legal Services - Direct hours
- Office Space - Square feet of space occupied; staff salary distribution
- Payroll Services - Number of employees
- Personnel Services - Number of employees
- Postage - Direct usage; acceptable survey methods
- Printing/Reproduction - Direct labor hours; job basis; pages printed
- Retirement System - Payroll; number of employees contributing administration
- Telephone - Number of instruments; staff salary distribution
- Travel - Mileage; actual expenses; direct labor hours
- Utilities - Square feet of space occupied; staff salary distribution

Unacceptable Allocation Bases: In general, unacceptable allocation bases are those that do not meet the general guidelines discussed above. Unacceptable bases are those that:

- Distort the final results
- Do not represent actual effort or actual expenditures
- Are not used consistently over time and with variations in funding
- Do not have an integral relationship to the types of costs being allocated.

Some commonly used bases that fall into this unacceptable category include the use of:

- Relative funds available to allocate unassigned direct costs
- Job descriptions to allocate staff costs
- Fixed or predetermined number of staff hours assigned to an activity to allocate staff costs
- Planned client levels to allocate client-related costs
- Results from prior periods to allocate current period costs.

- **Are based on budget or estimates**

DEVELOPMENT OF A COST ALLOCATION PLAN (CAP):

An allocation plan is a document that identifies allowable indirect and direct costs and is used to accumulate and distribute such costs. The allocation plan also identifies the allocation methodology used for distributing the costs. A plan for allocating joint costs is required to support the distribution of those costs to each subaward program. All costs included in the plan must be supported by formal accounting records to substantiate the propriety of the eventual charges.

Attached as Attachment A is a sample format for the development of a Cost Allocation Plan for the distribution of shared costs among CSS and non-CSS programs.

The subrecipient must identify all types of shared costs that will be allocated among programs and the methodology that will be used to make that distribution to cost objectives in the plan submission. The following are the procedures for the development of the plan:

1. Review Subaward Funding

Prepare a list of all funded programs of the subrecipient.

2. Organization Review

If one does not already exist, prepare an organizational chart and identify the various services and/or functions for each unit. Determine which units are direct or shared functions of the organization.

Determine the services that are allowable and allocable to subawards per the cost principles in the Uniform Guidance.

3. Prepare a Cost Allocation Plan (See Attachment A as an example.)

Develop a written policy that outlines the costs considered as direct and the costs considered as shared among programs and the rationale to support those costs.

This would include all joint or pooled costs needing to be allocated (such as staff whose work benefits more than one cost objective, cost pools established other types of pooled costs, and all other costs that cannot be readily assigned to a single cost objective).

Description of the methods used in distributing the expenses to benefiting cost objectives. This requires identifying the basis for allocating each type of joint or pooled cost and the documentation for supporting each basis for allocation.

For every cost, the subrecipient must provide the basis for its distribution (e.g. time distribution, number of participant's served, square footage, etc.)

Arbitrary percentages are not allowable. Any direct salary that is distributed to more than one program must also be supported by an allowable time distribution methodology. Time distribution must be based on after-the-fact determination of actual activity performed by employees and not estimates.

The subrecipient must maintain a time distribution system for use by employees whose time is charged to more than one cost objective. Payroll documentation should be maintained to support the charging of salaries and wages as direct or indirect.

INDIRECT COST RATE (ICR):

Indirect cost rates place ceilings on the amount that may be charged to the subaward and are only applicable if the subrecipient utilizes one of the following:

- An approved Federally recognized indirect cost rate negotiated between the subrecipient and the Federal government or,
- If no such recognized rate exists, (1) the subrecipient may utilize a de minimis indirect cost rate of 10% of modified total direct costs (MTDC) which may be used indefinitely, or (2) a subrecipient may apply to CSS for a negotiated rate utilizing Attachment A.
- With the exception of Federally-approved rates, all other rates are subject to CSS review, acceptance and or approval.

These requirements apply regardless of whether the costs are classified as Administration or Program.

For those subrecipients who have federally approved indirect cost rates, the guidance is meant to ensure compliance with those rates.

NOTE: All subrecipients receiving Older American Act funds from CSS will be limited to a 10% indirect cost rate, an increase from the previous 8% limit, per CSS' subgrant with the California Department of Aging.

In general terms, an ICR is the percentage of an organization's indirect costs to its direct costs and is a standardized method of charging individual programs for their share of indirect costs.

The ICR can be used to budget the maximum amount of indirect costs allowable for a program and then to claim the actual amount of indirect costs after the program expenditures have been made. It is important to remember that when recovering/charging indirect costs, the ICR is applied to the amount **actually expended, not the total amount budgeted—those actual expenditures must be documented and documentation must be submitted as required.** The indirect cost plan identifies and distributes the costs of services provided by support organizations (such as human resources, fiscal, upper level management) to the fund sources of a subrecipient.

It is the responsibility of the subrecipient to ensure that any indirect costs charged to a CSS subaward does not exceed the amount approved in the subaward budget and that the plan is current.

No indirect costs will be reimbursed in instances where the subrecipient has not maintained an approved rate or cannot demonstrate that it has submitted documentation to its Federal awarding agency to obtain a provisional or final rate in a timely manner. Indirect costs will be limited to either an approved rate from a Federal cognizant agency or a CSS approved rate.

DEVELOPMENT OF AN INDIRECT COST PLAN:

The subrecipient is to use data for a complete fiscal year (July 1, 2014 to June 30, 2015) to ensure that all costs are captured for the period. The plan methodology is to be used continuously for the entire year of the subaward beginning July 1, 2015. Any changes must be approved by CSS.

Notwithstanding that this directive has been issued after July 1, 2015, it is a requirement that the subrecipient apply the cost allocation plan to expenditures beginning July 1, 2015.

The following are the procedures for the development of the plan:

1. List all Funding/Revenue

Prepare a list of all funded programs and/or revenue of the subrecipient. Identify the amount or percent of reimbursement of direct and indirect cost and any subaward restrictions or references regulations.

2. Organization Review

If one does not already exist, prepare an organizational chart and identify the various services and/or functions for each unit. Determine which units are indirect (administrative) functions of the organization.

Determine the services that are allowable and allocable to subawards per the cost principles in the Uniform Guidance.

3. Review the Accounting Structure

Obtain a chart of accounts, or some other list of accounts for your organization, in which the actual dollars expended can be related to various programs and/or organization structure.

Reconcile the accounting structure to the organization chart.

4. Prepare an Indirect Cost Plan (See Attachment A as an example.)

Develop a written policy that outlines the costs considered as direct or shared, the costs considered to be indirect, and the rationale to support those costs. The costs considered direct or shared must reconcile to the Cost Allocation Plan.

The plan should include a description of the types of services provided and their relevance to CSS funded programs (generally called a Function and Benefit Statement). This would include all CSS and non-CSS funded revenue sources and cost objectives.

5. Prepare an Allocation of Personnel Salaries Worksheet (See Attachment C as an example.)

This worksheet should include the salaries of all staff within the organization. It must reflect the estimated or actual salary costs for each subaward and Non-Federal award cost objective. The percentage of time per position should be entered under the appropriate cost objective, making sure that 100 percent is allocated for each position.

The salaries are to be categorized between indirect and direct costs applying the definition applicable to each category. The subrecipient must ensure that any salary that is allocated between indirect and direct costs or among the direct cost objectives is supported by documentation that demonstrates the amounts charged to each category.

Arbitrary percentages are not allowable. Any direct salary that is distributed to more than one program must also be supported by an allowable time distribution methodology. Time distribution must be based on after-the-fact determination of actual activity performed by employees and not estimates.

The subrecipient must maintain a time distribution system for use by employees whose time is charged to more than one cost objective. Payroll documentation should be maintained to support the charging of salaries and wages as direct or indirect.

6. Prepare a Distribution of Indirect Costs to Cost Centers Worksheet (See Attachment D as an example.)

This worksheet must identify total costs of the organization in the following categories:

Salaries – This amount should be the total amount of salaries shown on the Allocation of Personnel Salaries Worksheet.

Any time spent by staff on unallowable activities such as fundraising must also be identified. Unallowable activities are to bear their fair share of indirect costs as all other programs.

Fringe Benefits – This is the total amount paid for employee benefits of the organization. The amount must be allocated by direct and indirect costs. The methodology for the allocation of fringe benefits between direct and indirect cost is the percentage of salaries charged to indirect and direct cost objectives. The allocation to specific programs within the Direct Costs category is based on the percentage of salaries within

a cost objective to total direct salaries times the portion of employee benefits allocable to Direct Costs.

Non-Personnel Costs - These costs are examples and may not reflect the costs of the organization. This list should represent the costs of the organization. Nonpersonnel costs that are not direct charges supported by documentation may be charged based on the percentages of salary distribution.

Costs not allowable under the cost principles such as fundraising, entertainment, bad debts, etc. are to be identified separately and not included as indirect costs. Unallowable costs may not be distributed to subaward programs.

Allocation of Indirect Costs - Once all costs of the organization have been identified as either Indirect, Direct or Unallowable, an allocation may be made.

That rate is applied to total direct costs by cost objective to determine the amount of indirect costs allocable to that cost objective.

7. Review Proposal Before Submission

Ensure the allocation plan reflects all programs and personnel identified in the organization chart.

Perform a mathematical verification of the proposal.

Determine that the proposal reconciles with the supporting audit, official budget or financial statements.

Review the financial statements and audit report for any indication of activities which may have been omitted from the indirect cost proposal, i.e., the omission of restricted fund costs or the existence of an affiliated organization receiving supportive service from the parent organization.

Determine that costs that are statutorily unallowable, or for reasons of non-allocability, have been eliminated from the indirect cost pool and are not charges as direct costs.

8. Certification

The document (Attachment B) must be certified by an authorized subrecipient official that the plan has been prepared in accordance with applicable requirements and will be the method used to charge indirect costs to the subaward.

RETENTION OF RECORDS:

The plans and supporting records shall have a 3-year retention period starting from the end of the fiscal year (or other accounting period) covered by the proposal.

ACTION:

CSS and its subrecipients shall follow this policy. This policy shall remain in effect until such time that a revision is required.

INQUIRIES:

If you have any questions regarding this Directive, please contact Melissa Tarver at (213) 738-3605 or mtarver@css.lacounty.gov

A handwritten signature in blue ink, appearing to read "Paul Goldman", is written over a horizontal line.

PAUL GOLDMAN, Assistant Director
Contracting Services

Attachments

- A – Sample Cost Allocation Plan and Indirect Cost Plan
- B – Certificate of Indirect Costs and Proposed Indirect Cost Rate
- C – Allocation of Personnel Worksheet
- D – Distribution of Indirect Costs to Cost Centers Worksheet

Attachments

- A – Sample Cost Allocation Plan and Indirect Cost Plan
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Please note that these attachments should be utilized for examples only, and should not be copied as a template for acceptable plans.

EXAMPLE

ATTACHMENT A

COST ALLOCATION PLAN

SUBRECIPIENT'S NAME AND ADDRESS

PURPOSE/GENERAL STATEMENT:

The purpose of this cost allocation plan is to summarize, in writing, the methods and procedures that this organization will use to allocate costs to various programs, subgrants, contracts and agreements.

The Uniform Guidance at 2 CFR Chapter I and Chapter II, Parts 200, 215, 220, 225, and 230 establishes the principles for determining costs of subgrants, contracts and other agreements in Federally funded programs. This Cost Allocation Plan is based on the Direct Allocation method which treats all costs as direct costs except general administration and general expenses which will be distributed to programs based on an indirect cost rate approved by the County of Los Angeles Community and Senior Services.

Direct costs are those that can be identified specifically with a particular final cost objective. Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective.

Only costs that are allowable, in accordance with the cost principles, will be allocated to benefiting programs by (Subrecipient's Name).

1. General Approach for Direct & Shared Direct Costs

The general approach of (Subrecipient's Name) in allocating costs to specific programs is as follows:

- A. All allowable direct costs are charged directly to programs, grants, activity, etc.
- B. Allowable direct costs that can be identified to more than one program are prorated individually as direct costs using a base most appropriate to the particular cost being prorated.

- C. All other allowable general and administrative costs (costs that benefit all programs and cannot be identified to a specific program) are allocated to programs, grants, etc. based on an approved indirect cost rate.

Allocation of Costs

The following information summarizes the procedures that will be used by (Subrecipient's Name) beginning July 1, 2015:

- A. Compensation for Personal Services - Documented with timesheets showing time distribution for all employees and allocated based on time spent on each program or grant. Salaries and wages are charged directly to the program for which work has been done. Costs that benefit more than one program will be allocated to those programs based on the ratio of each program's salaries to the total of such salaries (see Example 1). Costs that benefit all programs will be allocated based on the ratio of each program's salaries to total salaries (see example 2).
- Fringe benefits (FICA, UC, and Worker's Compensation) are allocated in the same manner as salaries and wages. Health insurance, dental insurance, life & disability and other fringe benefits are also allocated in the same manner as salaries and wages.
 - Vacation, holiday, and sick pay are allocated in the same manner as salaries and wages.
- B. Travel Costs - Allocated based on purpose of travel. All travel costs (local and out-of-town) are charged directly to the program for which the travel was incurred. Travel costs that benefit more than one program will be allocated to those programs based on the ratio of each program's salaries to the total of such salaries (see Example 1). Travel costs that benefit all programs will be allocated based on the ratio of each program's salaries to total salaries (see Example 2).
- C. Professional Services Costs (such as consultants) - Allocated to the program benefiting from the service. All professional service costs are charged directly to the program for which the service was incurred. Costs that benefit more than one program will be allocated to those programs based on the ratio of each program's expenses to the total of such expenses (see Example 3). Costs that benefit all programs will be allocated based on the ratio of each program's expenses to total expenses (see Example 4).
- D. Office Expense and Supplies (including office supplies and postage) - Allocated based on usage. Expenses used for a specific program will be charged directly to that program. Postage expenses are charged directly to programs to the extent possible. Costs that benefit more than one program will be allocated to those programs based on the ratio of each program's expenses to the total of such expenses (see Example 3). Costs that benefit all programs will be allocated

based on the ratio of each program's expenses to total expenses (see Example 4).

- E. Equipment - (Subrecipient's Name) depreciates equipment when the initial acquisition cost exceeds \$x,xxx. Items below \$x,xxx are reflected in the supplies category and expensed in the current year. Unless allowed by the awarding agency, equipment purchases are recovered through depreciation. Depreciation costs for allowable equipment used solely by one program are charged directly to the program using the equipment. If more than one program uses the equipment, then an allocation of the depreciation costs will be based on the ratio of each program's expenses to the total of such expenses (see example 3). Costs that benefit all programs will be allocated based on the ratio of each program's expenses to total expenses (see example 4).
- F. Printing (including supplies, maintenance and repair) - Expenses are charged directly to programs that benefit from the service. Expenses that benefit more than one program are allocated based the ratio of the costs to total expenses. Costs that benefit more than one program will be allocated to those programs based on the ratio of each program's expenses to the total of such expenses (see example 3). Costs that benefit all programs will be allocated based on the ratio of each program's expenses to total expenses (see example 4).
- G. Insurance - Insurance needed for a particular program is charged directly to the program requiring the coverage. Other insurance coverage that benefits all programs is allocated based on the ratio of each program's expenses to total expenses (see example 4).
- H. Telephone/Communications - Long distance and local calls are charged to programs if readily identifiable. Other telephone or communications expenses that benefit more than one program will be allocated to those programs based on the ratio of each program's expenses to the total of such expenses (see example 3). Costs that benefit all programs will be allocated based on the ratio of each program's expenses to total expenses (see example 4).
- I. Facilities Expenses - Allocated based upon usable square footage. The ratio of total square footage used by all personnel to total square footage is calculated (see example 5). Facilities costs related to general and administrative activities are allocated to program based on an approved indirect cost rate.
- J. Training/Conferences/Seminars - Allocated to the program benefiting from the training, conferences or seminars. Costs that benefit more than one program will be allocated to those programs based on the ratio of each program's salaries to the total of such salaries (see Example 1). Costs that benefit all programs will be allocated based on the ratio of each program's salaries to total salaries (see Example 2).

- K. Other Costs (including dues, licenses, fees, etc.) - Other joint costs will be allocated on a basis determined to be appropriate to the particular costs. (Subrecipient should describe methodology for applicable costs).
- L. Unallowable Costs – Costs that are unallowable in accordance with the Uniform Guidance, including alcoholic beverages, bad debts, advertising (other than help-wanted ads), contributions, entertainment, fines and penalties. Legal Fees, Lobbying and fundraising costs are unallowable, however, are treated as direct costs and allocated their share of general and administrative expenses.

Examples of Allocation Methodology

Example 1

Expense Amount = \$5,000

Costs that are shared and benefit two or more specific programs, but not all programs, are allocated to those programs based on the ratio of each program's personnel costs (salaries & applicable benefits) to the total of such personnel costs, as follows:

The amount to be allocated among various programs is \$5,000. Grant A (below) represents CSS's program. Based on the direct costs of personnel, Agency can calculate that Grant A should be allocated 20%, since \$20,000 of the \$100,000 total personnel costs pertained to Grant A. Therefore, 20% of the \$5,000 to be allocated should go to Grant A, which is \$1,000.

Grant	Personnel Costs	%	Amount Allocated
A	\$ 20,000	20%	\$1,000
C	\$ 30,000	30%	\$1,500
E	\$ 50,000	50%	\$2,500
Total	\$100,000	100%	\$5,000

Example 2

Expense Amount = \$10,000

Costs that are shared benefit all programs are allocated based on a ratio of each program's personnel costs (salaries & applicable benefits) to total personnel costs as follows:

The amount to be allocated among various programs is \$10,000. Grant A (below) represents CSS's program. Based on the direct costs of personnel, Agency can calculate that Grant A should be allocated 13%, since \$20,000 of the \$150,000 total personnel costs pertained to Grant A. Therefore, 13% of the \$10,000 to be allocated should go to Grant A, which is \$1,300.

Grant	Personnel Costs	%	Amount Allocated
A	\$ 20,000	13%	\$1,300
B	\$ 10,000	7%	\$ 700
C	\$ 30,000	20%	\$2,000
D	\$ 40,000	27%	\$2,700
E	\$ 50,000	33%	\$3,300
Total	\$150,000	100%	\$10,000

Example 3

Expense Amount = \$4,000

Costs that are shared and benefit two or more specific programs, but not all programs, are allocated to those programs based on the ratio of each program's expenses (direct costs other than salaries & benefits) to the total of such expenses, as follows:

The amount to be allocated among various programs is \$4,000. Grant A (below) represents CSS's program. Based on the direct costs of program expenses, Agency can calculate that Grant A should be allocated 30%, since \$120,000 of the \$400,000 total personnel costs pertained to Grant A. Therefore, 30% of the \$4,000 to be allocated should go to Grant A, which is \$1,200.

Grant	Program Expenses	%	Amount Allocated
A	\$ 120,000	30%	\$1,200
C	\$ 130,000	33%	\$1,320
E	\$ 150,000	37%	\$1,480
Total	\$ 400,000	100%	\$4,000

Example 4

Expense Amount = \$8,000

Costs that are shared and benefit all programs will be allocated based on a ratio of each program's salaries to total salaries as follows:

Grant	Program Expenses	%	Amount Allocated
A	\$ 120,000	18%	\$1,440
B	\$ 110,000	17%	\$1,360
C	\$ 130,000	20%	\$1,600
D	\$ 140,000	22%	\$1,760
E	\$ 150,000	23%	\$1,840
Total	\$650,000	100%	\$8,000

Example 5

Facilities Expense Amount = \$10,000

Shared facilities costs are allocated based on square footage. Square footage for each program and general and administrative activity is considered in the analysis. Facilities and space that is allocable to the indirect cost category are distributed back to programs through the indirect cost rate. The calculation for shared facilities costs is as follows:

Grant	Square Footage	%	Amount Allocated
A	300	30%	\$ 3,000
B	100	10%	\$ 1,000
C	200	20%	\$ 2,000
D	200	20%	\$ 2,000
E	200	20%	\$ 2,000
Total	1,000	100%	\$10,000

GENERAL AND ADMINISTRATIVE COSTS

All general and administrative costs of the organization are distributed to subawards based on an approved indirect cost rate.

2. General Approach for Indirect Costs

I. General Accounting Policies

A. Basis of Accounting - Accrual Basis

B. Fiscal Period - July 1 through June 30

C. Allocation Basis for Individual Cost Elements - Direct Allocation Basis

D. Indirect Cost Rate Allocation Base – _____

E. (Subrecipient Name) maintains adequate internal controls to insure that no cost is charged both directly and indirectly to County of Los Angeles Community and Senior Service (CSS) subawards and other subawards and subcontracts. (Include a description of the accounting system software.)

II. Federal and Non-Federal Funding

List all funded programs in detail as to the amount or percent of reimbursement of direct and indirect costs and any restrictions imposed through subgrants or regulations.

III. Description of Methodologies

A. Salaries and Wages

1. Direct Costs – The majority of (Subrecipient Name)'s employees direct charge their time since their work is specifically identifiable to specific subawards, subcontracts, or other activities of the organization such as fund raising or providing services to participants. The charges are supported by auditable labor distribution reports which reflect the actual activities of the employees.

2. Indirect Costs – The following staff charge 100% of their salary costs indirectly:

(List those employees who charge 100% of their time to indirect activities.)

The distinction between direct and indirect is primarily based on functions performed. For example, when the Executive Director is performing functions that are necessary and beneficial to all programs they are indirect. When functions are specific to one or more programs they are direct because they do not benefit all programs.

3. Multiple Cost Objectives - The following employees may charge their salary costs to both direct, indirect, or multiple cost objectives:

(List those employees who charge their time to both direct and indirect or multiple cost objectives.)

Auditable time distribution records which reflect the actual activities of employees are maintained to support the charges to indirect, direct and multiple cost objectives. The time records are certified by the _____.

Executive Director or designee

B. Fringe Benefits

(Subrecipient Name) contributes to the following fringe benefits for its employees:

1. unemployment insurance,
2. worker's compensation,
3. F.I.C.A., health insurance and
4. matching contributions to a defined benefit pension plan.

Treatment of Fringe Benefits: (Subrecipient Name)'s accounting system tracks fringe benefit costs by individual employee and charges those costs directly or indirectly in the same manner as salary and wage costs are recorded. (Subrecipient Name) does not need to have a fringe benefit rate established.

Treatment of Paid Absences - Release time costs (vacation leave earned, sick leave used, and holiday pay) are considered part of salary costs. Consequently, separate claims for release time costs are not made. (Subrecipient Name)'s accounting system records release time as a direct or indirect cost in the same manner that salary costs are recorded. Vacation leave earned but not used during each fiscal period is recorded as a cost in the period earned.

C. Travel

Travel costs may be charged as either direct or indirect costs depending on the purpose of the trip.

For example: The Executive Director of the subrecipient travels to attend a workshop on executive management organizational skills the trip would be indirect in nature and would be charged as an indirect cost. However, if the Executive Director travels to a conference delivering information for a specific program administered by the subrecipient, the trip would be considered a direct cost.

D. Board Expenses (if applicable)

For those subrecipients that are nonprofit organizations, most board meeting expenses are charged on an indirect basis because their activity benefits the entire organization. Board expenses for member attendance at meetings involving specific programs administered by the subrecipient may be charged as a direct cost to that program.

Most directors of public benefit corporations serve on a volunteer basis, and do not receive compensation, other than occasional reimbursement for actual expenses of attending meetings (mileage, parking fees, meal costs). However, California law permits directors to receive reasonable "compensation as a director or officer," and distinguishes such compensation from other payments to directors that raise conflict of interest questions. It is the subrecipient's responsibility to document the expenses and demonstrate that they were reasonable and necessary.

E. Supplies and Materials

To the maximum extent possible, office supplies and materials are direct charged to a subaward which uses the supplies or materials.

Supplies and materials used by staff who are engaged in multiple cost objectives, both direct and indirect, will be allocated based on salaries, both direct and indirect.

F. Occupancy Expenses

Rent and related costs of occupancy (e.g. utilities, maintenance, security) – (Subrecipient Name) occupies space it leases from (Name). The lease provides for equal monthly payments during the term of the lease. All occupancy costs are categorized as indirect costs.

All other ancillary costs of occupancy (utilities, maintenance, security) are also categorized as indirect costs.

G. Communications

The cost of communications (FAX, internet, land lines, cell phones) is allocated based on salaries, both direct and indirect.

H. Photocopying and Printing

With the exception of printing activity for a specific program that will be charged directly, all other photocopy and printing costs will be allocated based on salaries, both direct and indirect.

I. Outside Services

(Subrecipient Name) incurs outside services costs for its annual audit, consultants, legal fees, and for staff development specialists.

- The cost of the annual audit is charged indirectly.
- Consultant fees are charged either directly or indirectly based on the services rendered.
- In general, allowable legal fees are charged directly to the benefiting program or activity.
- Allowable Legal fees that are not identifiable to specific direct programs are charged indirectly.

J. Depreciation

The cost of capital items purchased with non-Federal funds which are used in a manner which benefits Federal subawards is recovered through depreciation charged. (Subrecipient Name) recovers the cost of capital items using the straight line depreciation method in accordance with generally accepted accounting principles. Depreciation is charged either directly or indirectly based on the benefits received.

Depreciation may not be charged if the subrecipient has been reimbursed for the purchase of the item through the subaward agreement.

K. Program Services

The cost of activities performed primarily as services to participants, clients, or the general public are classified as direct costs and bear their fair share of indirect costs. These activities include:

- Training Costs
- Supportive Service Costs
- Maintenance of Enrollment Data

- Subscriptions
- Publications providing information to members, legislative or administrative bodies, or the public
- Program marketing and outreach
- Meetings and conferences except those held to conduct the general administration of (Subrecipient Name)

L. Unallowable Costs

(Subrecipient Name) recognizes that unallowable costs, as defined in the Uniform Guidance at 2 CFR Section 421-475, cannot be charged to Federal subawards and has internal controls in place to insure that this is followed. Examples of unallowable costs are included but not limited to:

- Advertising and public relations
- Entertainment/alcoholic beverages
- Contributions and Donations
- Capital expenditures
- Interest Expense
- Lobbying and fund raising

CERTIFICATION

All costs included in this plan are properly allocable to County of Los Angeles Community and Senior Services (CSS) subawards on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable Federal cost principles.

Further, the same costs that have been treated as direct or shared costs have not been treated as indirect costs. Similar types of costs have been accounted for consistently.

Signature

Date

Title

(Subrecipient Name and Address)

EXAMPLE

ATTACHMENT B

Certificate of Indirect Costs and Proposed Indirect Cost Rate

I have reviewed the indirect cost proposal dated _____. This is to certify that:

All costs included in the proposal submitted on _____ to establish a cost rate for the period _____ through _____ are allowable in accordance with the requirements for subawards governed by Uniform Guidance at 2 CFR Chapter I and II.

This proposal does not include any costs which are unallowable under applicable Federal cost principles.

All costs included in this proposal are properly allocable to County of Los Angeles Community and Senior Services (CSS) subawards on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable Federal cost principles.

Subject to the provisions of the Program Fraud Civil Remedies Act of 1986, (31 USC 3801 et seq.), the False Claims Act (18 USC 287 and 31 USC 3729); and the False Statements Act (18 USC 1001), I declare to the best of my knowledge the foregoing is true and correct.

Subrecipient Name: _____

Signature: _____

Name of Authorized Official (in CSS contract):

Title: _____

Date: _____

Attachments

Allocation of Personnel Worksheet

Distribution of Indirect Costs to Cost Centers Worksheet

ATTACHMENT B

Example - Allocation of Personnel Worksheet

Position	B + C Annual Salary	D thru H		WIOA D	AAA E	CalWorks F	GROW G	Fund Raising H
		Indirect Costs B	Direct Costs C					
Executive Director*	90,000	80,000	10,000					
Administrative Assistant	60,000	60,000						
Finance Director	75,000	5,000						
Accountant	60,000	60,000						
Personnel Director	60,000	60,000						
Program Manager	70,000	7,000	63,000	50,400		12,600		10,000
% of Distribution**	100%	10%	90%	80%		20%		
Program Manager	65,000		65,000		65,000		65,000	
Program Manager	65,000		65,000					
MIS Director	60,000		60,000	36,000	6,000	12,000	6,000	
% of Distribution				60%	10%	20%	10%	
Data Entry Clerk	50,000		50,000	30,000	5,000	10,000	5,000	
% of Distribution				60%	10%	20%	10%	
All Other Positions**	700,000		700,000	250,000	150,000	100,000	200,000	
TOTAL	1,355,000	342,000	1,013,000	366,400	226,000	134,600	276,000	10,000

*Costs are allocated to the unallowable cost objective of Fundraising. All cost objectives must bear their fair share of indirect costs. Time spent on fundraising or any other unallowable activity must be documented.

**% of Distribution is based on time reported by staff (time distribution) to various program activities.

Note: The salaries included in this exhibit are for illustrative purposes only.

EXAMPLE - INDIRECT COST PLAN

ATTACHMENT C

PAGE 1

BASE - TOTAL DIRECT COSTS

A = C + D

D = E thru I

Budget Category	Total Costs	Less Exclusions & Unallowable costs	Indirect Costs		Total Direct Costs		WIOA					CalWorks					GROW					Fund Raising				
			C	D			E	F	G	H	I	F	G	H	I											
Salaries	1,355,000		342,000	1,013,000		366,400	226,000	134,600	276,000		10,000															
Fringe Benefits (42%)*	569,100		143,640	425,460		153,888	94,920	56,532	115,920		4,200															
Total Personnel Costs	1,924,100		485,640	1,438,460		520,288	320,920	191,132	391,920		14,200															
% of Direct Salaries & Benefits*						36%	22%	13%	27%		1%															
Consultant Services	75,000		75,000																							
Staff Travel	40,000		15,000	25,000		9,042	5,577	3,322	6,811		247															
Funding Raising	15,000	15,000		15,000																						
Rent	360,000		360,000																							
Consumable Supplies	20,000		5,000	15,000		5,425	3,346	1,993	4,087		148															
Purchase, Lease of Equipment	20,000		20,000																							
Communications	35,000		8,750	26,250		9,495	5,856	3,488	7,152		259															
Printing	10,000			10,000		3,617	2,231	1,329	2,725		99															
Insurance	35,000		8,750	26,250		9,495	5,856	3,488	7,152		259															
Postage	5,000			5,000		1,808	1,115	664	1,362		49															
Depreciation	20,000		5,000	15,000		5,425	3,346	1,993	4,087		148															
Program Costs	1,500,000			1,500,000		800,000	300,000	300,000	100,000																	
Participant Support Costs	75,000			75,000		30,000		20,000	25,000																	
Total Nonpersonnel Costs***	2,210,000	15,000	497,500	1,712,500		874,308	327,330	336,277	158,376		16,209															
Total Organization Costs	4,134,100	15,000	983,140	3,150,960		1,394,596	648,250	527,409	550,296		30,409															

*Allocated between Direct and Indirect Costs based on the percentage of Direct Salaries to Indirect Salaries.

**Percentages derived from calculating Direct Personnel Costs by Program to total Direct Personnel Costs.

***Allocated to programs based on percentage derived from percentage of Direct to Indirect Salaries & Benefits and the percentage of Direct Salaries and Benefits to Total Direct Salaries and Benefits.

EXAMPLE - INDIRECT COST PLAN

ATTACHMENT D

BASE - TOTAL DIRECT COSTS

PAGE 2

	983,140	Allocation Base	WIOA	AAA	CalWorks	GROW	Fund	
							Raising	Total
Indirect Costs			1,394,596	648,250	527,409	550,296	30,409	3,150,960
Total Direct Costs	3,150,960	Times Indirect Rate	<u>31.2013%</u>	<u>31.2013%</u>	<u>31.2013%</u>	<u>31.2013%</u>	<u>31.2013%</u>	<u>31.2013%</u>
<u>Indirect Rate</u>	<u>31.2013%</u>	Allocation Share of IC	<u>435,132</u>	<u>202,262</u>	<u>164,558</u>	<u>171,699</u>	<u>9,488.09</u>	<u>983,140</u>

EXHIBIT AA
(SUBRECIPIENT'S COMPLIANCE WITH ENCRYPTION REQUIREMENTS)

Subrecipient shall provide information about its data encryption practices. Subrecipient acknowledges that the information provided on this form certifies that Subrecipient will comply with County of Los Angeles Board of Supervisor's Policy Manual Chapter 5 (Contracting and Purchasing) Policy Number 5.200 (Contractor Protection of Electronic County Information) during the term of the Subaward.

REQUIREMENT	COMPLIANCE RESPONSE	VALIDATION/ ATTESTATION REPORTS AVAILABLE
Will County Information Assets (defined in Exhibit P (Definitions)) stored on your workstation(s) be encrypted?	Choose an item.	Choose an item.
Will County Information Assets stored on your laptop(s) be encrypted?	Choose an item.	Choose an item.
Will County Information Assets stored on removable media be encrypted?	Choose an item.	Choose an item.
Will County data be encrypted when transmitted?	Choose an item.	Choose an item.
Will County Information Assets be stored on remote servers (i.e., cloud storage, Software-as-a-Service (SaaS))?	Choose an item.	Choose an item.
Will Subrecipient maintain a copy of any validation/attestation reports generated by its encryption tools?	Choose an item.	

Declaration

I declare under penalty of perjury under the laws of the State of California that the information stated herein is true and correct.

[Click here to enter text.](#)

Subrecipient's Name

[Click here to enter text.](#)

Name of Authorized Representative

[Click here to enter text.](#)

Title of Authorized Representative

[Click here to enter a date.](#)

Authorized Representative's Signature

Date

EXHIBIT BB (ADDITIONAL FEDERALLY REQUIRED PROVISIONS)

1. NO OBLIGATION BY THE FEDERAL GOVERNMENT

- 1.1 County and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of this Contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this Contract and shall not be subject to any obligations or liabilities to County, Contractor, or any other party (whether or not a party to that Contract) pertaining to any matter resulting from this Contract.
- 1.2 Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by Federal Transit Administration (hereafter "FTA"). It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

2. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS

- 2.1 Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 USC 3801 et seq. and U.S. Department of Transportation (hereafter "DOT") regulations, "Program Fraud Civil Remedies," 49 CFR 31, apply to its actions pertaining to this Program. Upon execution of this Contract, Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to this Contract or the FTA assisted project for which this Contract Work is being performed. In addition to other penalties that may be applicable, Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on Contractor to the extent the Federal Government deems appropriate.
- 2.2 Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a program that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 USC 5307, the Government reserves the right to impose the penalties of 18 USC 1001 and 49 USC 5307(n)(1) on Contractor, to the extent the Federal Government deems appropriate.
- 2.3 Contractor agrees to include the above two (2) clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

3. ACCESS TO RECORDS: *The following requirements apply to this Contract:*

- 3.1 Where County is not a State but a local government and is the FTA Recipient or a subgrantee of the FTA Recipient in accordance with 49 CFR 18.36(i), Contractor agrees to provide County, the FTA Administrator, the Comptroller General of the United States or any of their authorized representatives access to any books,

documents, papers and records of Contractor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts and transcriptions. Contractor also agrees, pursuant to 49 CFR 633.17 to provide the FTA Administrator or his authorized representatives including any Project Management Oversight (hereafter "PMO") Contractor access to Contractor's records and construction sites pertaining to a major capital project, defined at 49 USC 5302(a)1, which is receiving federal financial assistance through the programs described at 49 USC 5307, 5309 or 5311.

- 3.2 Where the entity is a State and is the FTA Recipient or a subgrantee of the FTA Recipient in accordance with 49 CFR 633.17, Contractor agrees to provide County, the FTA Administrator or his authorized representatives, including any PMO Contractor, access to Contractor's records and construction sites pertaining to a major capital project, defined at 49 USC 5302(a)1, which is receiving federal financial assistance through the programs described at 49 USC 5307, 5309 or 5311. By definition, a major capital project excludes contracts of less than the simplified acquisition threshold currently set at \$100,000.
- 3.3 Where County enters into a negotiated contract for other than a small purchase or under the simplified acquisition threshold and is an institution of higher education, a hospital or other non-profit organization and is the FTA contractor or a subcontractor of the FTA contractor in accordance with 49 CFR 19.48, Contractor agrees to provide County, FTA Administrator, the Comptroller General of the United States or any of their duly authorized representatives with access to any books, documents, papers and record of Contractor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts and transcriptions.
- 3.4 Where any entity which is the FTA Recipient or a subgrantee of the FTA Recipient in accordance with 49 USC 5325(a) enters into a contract for a capital project or improvement (defined at 49 USC 5302(a)1) through other than competitive solicitation, Contractor shall make available records related to the Contract to County, the Secretary of Transportation and the Comptroller General or any authorized officer or employee of any of them for the purposes of conducting an audit and inspection.
- 3.5 Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- 3.6 Contractor agrees to maintain all books, records, accounts and reports required under this Contract for a period of not less than five (5) years after the date of termination or expiration of this Contract, except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case Contractor agrees to maintain same until County, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. Reference 49 CFR 18.39(i)(11).
- 3.7 FTA does not require the inclusion of these requirements in subcontracts.

4. FEDERAL CHANGES

Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, as they may be amended or promulgated from time to time

during the term of this Contract. Contractor's failure to so comply shall constitute a material breach of this Contract.

5. CIVIL RIGHTS: *The following requirements apply to this Contract:*

5.1 Nondiscrimination – In accordance with Title VI of the Civil Rights Act, as amended, 42 USC 2000d, Section 303 of the Age Discrimination Act of 1975, as amended, 42 USC 6102, Section 202 of the Americans with Disabilities Act of 1990, 42 USC 12132, and Federal transit law at 49 USC 5332, Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

5.2 Equal Employment Opportunity – *The following apply to this Contract:*

5.2.1 Race, Color, Creed, National Origin, Sex – In accordance with Title VII of the Civil Rights Act, as amended, 42 USC 2000e, and Federal transit laws at 49 USC 5332, Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (hereafter "U.S. DOL") regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 CFR 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 USC 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Program. Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, Contractor agrees to comply with any implementing requirements FTA may issue.

5.2.2 Age – In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 USC 623 and Federal transit law at 49 USC 5332, Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, Contractor agrees to comply with any implementing requirements FTA may issue.

5.2.3 Disabilities – In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 USC 12112, Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 CFR 1630, pertaining to employment of persons with disabilities. In addition, Contractor agrees to comply with any implementing requirements FTA may issue.

- 5.3 Contractor also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties.

6. DISADVANTAGED BUSINESS ENTERPRISES

- 6.1 This Contract is subject to the requirements of 49 CFR 26, Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs. The national goal for participation of Disadvantaged Business Enterprises (hereafter "DBE") is 10%. The agency's overall goal for DBE participation is 0%. A separate Contract goal has not been established for this procurement.
- 6.2 Contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Contract. Contractor shall carry out applicable requirements of 49 CFR 26 in the award and administration of this DOT-assisted Contract. Failure by Contractor to carry out these requirements is a material breach of this Contract, which may result in the termination of this Contract or such other remedy as County deems appropriate. Each subcontract Contractor signs with a subcontractor must include the assurance in this Paragraph (see 49 CFR 26.13(b)).
- 6.2.1 The successful proposer will be required to report its DBE participation obtained through race-neutral means throughout the period of performance.
- 6.3 Contractor is required to pay its subcontractors performing Work related to this Contract for satisfactory performance of that Work no later than thirty (30) days after Contractor's receipt of payment for that Work from County. In addition, Contractor may not hold retainage from its subcontractors and is required to return any retainage payments to those subcontractors within thirty (30) days after the subcontractor's Work related to this Contract is satisfactorily completed. Contractor is also required to return any retainage payments to those subcontractors within thirty (30) days after incremental acceptance of the subcontractor's Work by County and Contractor's receipt of the partial retainage payment related to the subcontractor's Work.
- 6.4 Contractor must promptly notify County, whenever a DBE subcontractor performing Work related to this Contract is terminated or fails to complete its Work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of Work. Contractor may not terminate any DBE subcontractor and perform that Work through its own forces or those of an affiliate without prior written consent of County.

7. INCORPORATION OF FEDERAL TRANSIT ADMINISTRATION TERMS

The preceding provisions include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding Contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1E are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Contract. Contractor shall not perform any act, fail to perform any act, or refuse to comply with any County requests which would cause County to be in violation of the FTA terms and conditions.

8. TERMINATION

8.1 **Termination for Convenience:** County may terminate this Contract, in whole or in part, at any time by written notice to Contractor when it is in the Government's best interest. Contractor shall be paid its costs, including Contract close-out costs, and profit on Work performed up to the time of termination. Contractor shall promptly submit its termination claim to County to be paid Contractor. If Contractor has any property in its possession belonging to County, Contractor will account for the same, and dispose of it in the manner County directs.

8.2 **Termination for Default (Breach or Cause):** If Contractor does not deliver Services in accordance with the Contract delivery schedule, or, if the Contract is for Services, Contractor fails to perform in the manner called for in the Contract, or if Contractor fails to comply with any other provisions of the Contract, County may terminate this Contract for default. Termination shall be effected by serving a notice of termination on Contractor setting forth the manner in which Contractor is in default. Contractor will only be paid the Contract price for Services performed in accordance with the manner of performance set forth in the Contract.

If it is later determined by County that Contractor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of Contractor, County, after setting up a new delivery of performance schedule, may allow Contractor to continue work, or treat the termination as a termination for convenience.

8.3 **Opportunity to Cure:** County in its sole discretion may, in the case of a termination for breach or default, allow Contractor five (5) working days (or such longer period as County may authorize in writing) in which to cure the defect. In such case, the notice of termination will state the time period in which cure is permitted and other appropriate conditions.

If Contractor fails to remedy to County's satisfaction, the breach or default of any of the terms, covenants, or conditions of this Contract within ten (10) working days, after receipt by Contractor of written notice from County setting forth the nature of said breach or default, County shall have the right to terminate the Contract without any further obligation to Contractor. Any such termination for default shall not in any way operate to preclude County from also pursuing all available remedies against Contractor and its sureties for said breach or default.

8.4 **Waiver of Remedies for any Breach:** In the event that County elects to waive its remedies for any breach by Contractor of any covenant, term or condition of this Contract, such waiver by County shall not limit County's remedies for any succeeding breach of that or of any other term, covenant, or condition of this Contract.

9. SUSPENSION AND DEBARMENT

9.1 This Contract is a covered transaction for purposes of 49 CFR 29. As such, Contractor is required to verify that none of Contractor, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945.

- 9.2 Contractor is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.
- 9.3 By signing and submitting its proposal, the Contractor certifies as follows:
 - 9.3.1 The certification in this clause is a material representation of fact relied upon by County. If it is later determined that Contractor knowingly rendered an erroneous certification, in addition to remedies available to County, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. Contractor agrees to comply with the requirements of 49 CFR 29, Subpart C while this offer is valid and throughout the period of any Contract that may arise from this offer. Contractor further agrees to include a provision requiring such compliance in its lower tier covered transactions.

10. DISPUTES

- 10.1 Disputes arising in the performance of this Contract which are not resolved by agreement of the parties shall be decided in writing by County's Department Head or designee. This decision shall be final and conclusive unless within ten (10) days from the date of receipt of its copy, Contractor mails or otherwise furnishes a written appeal to County's Department Head or designee. In connection with any such appeal, Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of County's Department Head or designee shall be binding upon Contractor and Contractor shall abide by the decision.
- 10.2 Performance During Dispute: Unless otherwise directed by County, Contractor shall continue performance under this Contract while matters in dispute are being resolved.
- 10.3 Claims for Damages: Should either party to the Contract suffer injury or damage to person or property because of any act or omission of the party or of any of his/her employees, agents or others for whose acts he/she is legally liable, a claim for damages therefor shall be made in writing to such other party within a reasonable time after the first observance of such injury of damage.
- 10.4 Remedies: Unless this Contract provides otherwise, all claims, counterclaims, disputes and other matters in question between County and Contractor arising out of or relating to this Contract or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State in which County is located.
- 10.5 Rights and Remedies: The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by County or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

11. LOBBYING

- 11.1 Byrd Anti-Lobbying Amendment, 31 USC 1352, as amended by the Lobbying Disclosure Act of 1995, PL 104-65 (to be codified at 2 USC 1601, et seq.): Contractors who apply or bid for an award of \$100,000 or more shall file the certification required by 49 CFR 20, "New Restrictions on Lobbying" (Exhibit CC (Certification Regarding Lobbying)). Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal Contract, grant or any other award covered by 31 USC 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal Contract, grant or award covered by 31 USC 1352. Such disclosures are forwarded from tier to tier up to Contractor.

12. CLEAN AIR

- 12.1 Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 USC 7401 et seq. Contractor agrees to report each violation to County and understands and agrees that County will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.
- 12.2 Contractor also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance provided by FTA.

13. CLEAN WATER

- 13.1 Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 USC 1251 et seq. Contractor agrees to report each violation to County and understands and agrees that County will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.
- 13.2 Contractor also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance provided by FTA.

14. CONTRACT WORK HOURS AND SAFETY STANDARDS

- 14.1 **Overtime Requirements:** No Contractor or subcontractor contracting for any part of the Contract Work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such Work to work in excess of forty (40) hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty (40) hours in such workweek.
- 14.2 **Violation; liability for unpaid wages; liquidated damages:** In the event of any violation of the clause set forth in Paragraph 14.1 of this section, Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In

addition, such Contractor and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in Paragraph 14.1 of this section, in the sum of ten dollars (\$10) for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty (40) hours without payment of the overtime wages required by the clause set forth in Paragraph 14.1 of this section.

14.3 **Withholding for unpaid wages and liquidated damages:** County shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of Work performed by Contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in Paragraph 14.2 of this section.

14.4 **Subcontracts:** Contractor or subcontractor shall insert in any subcontracts the clauses set forth in Paragraphs 14.1 through 14.4 of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in Paragraphs 14.1 through 14.4 of this section.

15. **CHARTER SERVICE OPERATIONS**

Contractor agrees to comply with 49 USC 5323(d) and 49 CFR 604, which provides that recipients and subrecipients of FTA assistance are prohibited from providing charter service using federally funded equipment or facilities if there is at least one private charter operator willing and able to provide the service, except under one of the exceptions at 49 CFR 604.9. Any charter service provided under one of the exceptions must be "incidental" (i.e., it must not interfere with or detract from the provision of mass transportation).

16. **SCHOOL BUS OPERATIONS**

Pursuant to 69 USC 5323(f) and 49 CFR 605, recipients and subrecipients of FTA assistance may not engage in school bus operations exclusively for the transportation of students and school personnel in competition with private school bus operators unless qualified under specified exemptions. When operating exclusive school bus service under an allowable exemption, recipients and subrecipients may not use federally funded equipment, vehicles, or facilities.

17. **ENERGY CONSERVATION**

Contractor agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

18. ROLLING STOCK PURCHASES

18.1 Buy America Requirements

18.1.1 Title 49 USC 5323(j) provides that, with exceptions, Contract Funds may not be obligated for public transportation projects (which includes Services provided under this Contract) unless steel, iron and manufactured products used in providing Services are produced in the United States. To this end, Contractor and its subcontractor(s) shall adhere to the Buy America Requirements (49 CFR 661) and any amendments thereto. These requirements shall apply to all purchases made with Contract Funds, including materials or supplies funded as operating costs, when the purchase price exceeds \$100,000.

18.1.2 A manufacturer or supplier of steel, iron, or manufactured goods may be permitted to correct, after bid opening, an incomplete certification or a certification of non-compliance under certain circumstances if submission of the incorrect certification was the result of an inadvertent or clerical error. Title 49 USC 5323(j)(9) allows a party adversely affected by the Federal Transit Administration action the right to seek review.

18.2 Pre-Award and Post-Delivery Reviews

18.2.1 In accordance with the Pre-Award and Post-Delivery Audits of Rolling Stock Purchases (49 CFR 663) requirements, procurements for vehicles, other than sedans or unmodified vans, must be audited. When Contractor and its subcontractor(s) purchase Rolling Stock to provide Services with Contract Funds, Contractor and its subcontractor(s) shall conduct a pre-award and post-delivery review to ensure their compliance with their bid specifications, Buy America Requirements and Federal motor vehicle safety requirements, and to complete specific certifications.

18.2.2 Contractor's (and subcontractor's) purchase of more than ten (10) vehicles other than unmodified vans or sedans for use in providing Services requires an in-plant inspection. In the case of consolidated procurements made by County on behalf of multiple contractors, the in-plant inspection requirement will apply only when a single contractor will receive more than ten (10) vehicles.

EXHIBIT CC (CERTIFICATION REGARDING LOBBYING)

Certification for Contracts, Grants, Loans and Cooperative Agreements

Contractor, by signing below, hereby certifies to the best of its knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of Contractor, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, Contractor shall complete and submit Standard Form- LLL, "Disclosure of Lobbying Activities", in accordance with its instructions, which amended the "Government wide Guidance for New Restrictions on Lobbying", as described in the Federal Register Notice of January 19, 1996 (1412, Vol.61, No.13). [Note: language in paragraph (2) herein has been modified in accordance with Section 10 of the Lobbying Disclosure Act of 1995 (P.L. 104-65, 2 U.S.C. 1601, *et seq.*).]

Contractor understands that this certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. In addition, Contractor understands that the submittal of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995) and that any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. [Note: pursuant to 31 U.S.C. § 1352(c)(1)-(2)(A), any person who makes a prohibited expenditure or fails to file or amend a required certification or disclosure form shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure or failure.]

Contractor also certifies and affirms the truthfulness and accuracy of each statement of this certification and disclosure, if any. In addition, Contractor understands and agrees that the provisions of 31 U.S.C. A 3801, *et seq.*, apply to this certification and disclosure, if any.

Contractor's Name

Contract Number

Name of Authorized Representative (Print)

Title of Authorized Representative

Authorized Representative's Signature

Date

EXHIBIT DD

NEW FREEDOM: DOOR-ASSISTANCE TRANSPORTATION PROGRAM

BUDGET/PROPOSED PROGRAM SERVICES (PPS) INSTRUCTIONS

Please use the following instructions to complete the attached electronic *Budget/Proposed Program Services (PPS)*. The worksheet has been protected to preclude changes to key fields/cells except for designated areas which shall be completed by the Proposer. The form automatically performs all necessary calculations and validations. When working with calculations, any additional information other than whole numbers will often create mathematical variances therefore, please refrain from using formulas or decimals (unless allowed by the sheet).

APPENDIX D (Required Forms) EXHIBIT 13 (Proposed Budget)

Proposer Information: Please provide all requested information.

1. **Enter the Full Legal Name of the Organization:** Enter the full legal name of the organization onto the line and do not abbreviate. The name listed must match the name on the Articles of Incorporation, Business License, Charter, or By-Laws.
2. **California Public Utilities Commission Certificate (CPUC) Number:** Enter the certificate, permit, or registration number provided by the CPUC.
3. **Main Administrative Office Address:** Enter the address of the authorized signatory on this line. If the main administrative office and the mailing address are the same.
4. **City/State/Zip Code/Fax Number:** Please enter all the information listed corresponding to the particular site. Note: For the FAX number, enter only numbers with no spaces, hyphens, parenthesis or any additional characters (i.e., 2223334444).
5. **Mailing Address:** Only enter an address if the Main Administrative Address and mailing address are different. All correspondence, contract, program and compliance related information will be sent to both addresses and addressed to the administrator listed on the Authorized Signatory and the Secondary Contact lines.
6. **Official Authorized to Sign for the Agency:** Enter the administrator authorized through board resolution to sign for the agency. A board resolution will be required prior to contract execution.
7. **Job Title:** Enter the title of the authorized signatory. Please abbreviate the job title if the title does not fit in the cell.

8. **Phone Number/Ext.:** Enter the phone number and extension of the contact. Note: For the phone number, enter only numbers with no spaces, hyphens, parenthesis or any additional characters (i.e., 2223334444).
9. **E-mail Address:** Enter the email address of the contact.
10. **Secondary Contact for Program:** WDACS will only contact the secondary contact in cases where the authorized signatory is not available.

Budget Overview:

1. **Funding Categories:** Enter the amount of funding necessary to operate the Program. The funding categories (i.e., the sources of revenue) include: Contract Costs (funds allocated and reimbursed by WDACS), and Program Income.
 - a. Program Income: Revenue generated by Proposer from contract-supported activities including, but not limited to, voluntary contributions; royalties received on patents/copyrights from contract-supported activities; and proceeds from the sale of items fabricated under a contract agreement.
- I. **Personnel Detail:** Please complete as follows:
 1. Position Titles: Enter the title of each staff member who will work on the Program. Abbreviate the job title if the title does not fit in the cell.
 2. Column (A) No. of Employees: Enter the number of employees for this position with similar pay and percentage of time.
 3. Column (B) % of Time on Program: Enter the percentage of time the employee(s) will spend working on the Program. Use a separate line to report this information if the percentage of time will vary for employees with the same title.
 4. Column (C) Monthly Salary: Enter the total Monthly Salary for this position. Do not enter hourly rates. Estimate the Monthly Salary if the employee is paid by an hourly wage.
 5. Column (D) No. of Months: Enter the number of months the employee will be paid under the Program up to a maximum limit of 12 months.
 6. Column (E) Annual Salary: Do not complete this field; the total will be calculated automatically. Please note all preceding cells must have data entered before this total will work.

7. Column (F) Contract Costs: Enter the amount of the Grant Award that will be used to fund the annual salary for this position.
 8. Column (G) Program Income: Enter the amount of Program Income that will be used to fund the annual salary for this position.
 9. Column (H) Budget: Do not complete this field. This amount should equal column (E) Annual Salary.
- II. **Taxes:** Highlighted in yellow (Lower left-hand corner); Enter the total percentage representing payroll taxes. Calculations for taxes must be completed manually. Note: Column (E) and column (I) must be equal.
- III. **Benefits:** Highlighted in yellow (Lower left-hand corner). Enter the total percentage representing employee benefits. Calculations for benefits must be completed manually. Note: Column (E) and column (I) must be equal.
- IV. **Other Costs:** In the space provided, enter the type of cost that will be utilized during the fiscal year. All costs must be program related. Complete the columns as follows:
1. Column (A) Unit Cost: Enter the cost per unit of the item(s). The Unit Cost must be as reflective of the actual cost as possible. Although costs may differ from month to month please provide the best estimated Unit Cost possible.
 2. Column (B) Number of Units: Enter the estimated or agreed reimbursement schedule/rate per month. For example, if you are paying for services biweekly then the costs should be reflected as: Agreed Unit Cost/Rate of Reimbursement * 2 (for the number of times your agency will reimburse this Sub-Contractor for one month) * 12 (months).
 3. Column (C) Number of Months. This is limited to 12 months.
 4. Column (D) Total Cost: Do not complete this field. You must enter a numeric value in column (A), (B), and (C) in order for column (D) to calculate automatically.
 5. Column (E) Contract Costs: Enter the amount of the proposed Grant Award that will be used for the line item.
 6. Column (F) Program Income: Enter the amount of proposed Program Income.
 7. Column (G) Budget: Do not complete this field. This amount should equal column (D) Total Cost.

V. **Door Assistance Transportation Services Monthly Mileage Assumptions**

1. **Average Length of One-Way Trips:** Indicate the average length of miles per one-way trip that your agency plans to provide per month.
2. **Estimated Number of Trips Provided:** Indicate the estimated number of trips that your agency plans to provide per month.
3. **Total Cost:** The Total Cost will be automatically calculated based on the data entered.
4. **Total Mileage:** The total mileage will be automatically calculated based on the data entered.
5. **Unit Rate:** The Unit Rate will be automatically calculated based on the data entered. This will be your cost per mile to provide Program services.

VI. **Proposed Service Area(s)**

1. Place an "X" to the right of each Supervisorial District (SD) you plan to serve. **A separate cost proposal must be submitted for each SD you plan to serve.**

V. **Vehicle Information:** Please provide the information as requested.

1. License Plate
2. State the vehicle is registered in
3. Vehicle Identification Number (VIN)
4. Manufacturer
5. Year
6. Model
7. Seats: Identify the number of seats per vehicle including the driver.
8. Equipment: Adaptive equipment such as wheel chair racks, swivel chairs, etc. that will enhance the Escorts Driver's ability to provide services.

VI. **Dispatcher Sites**

1. Site Name: Provide the site name.
2. Service Area(s): State the areas covered by the dispatcher site.
3. Contact and Phone Number: Provide the full name of the Contact as well as his/her direct phone number.

4. Days/Hours of Operation: Enter the hours the Site is open for Services under the appropriate column according to the days of the week (Monday through Friday [M-F], Saturday [Sat] and/or Sunday [Sun]). For example, if the Proposer intends to provide services on Monday, Wednesday, Friday, Saturday and Sunday then data would be entered as follows: (1) under column (M-F) enter: Mon, Wed & Fri – 12 pm – 3 pm & 5 pm – 8 pm; (2) Under column (Sat) enter 12 pm – 3 pm & 5 pm – 8 pm; and, (3) under column (Sun) enter 12 pm – 3 pm & 5 pm – 8 pm. If your agency will provide services during holidays, please state “Yes” or No.“